PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 514 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FIFTY-NINTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2010–2011

COMPRISING PERIOD
19 July 2010—27 July 2010

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19 July 2010

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 18 MAY 2010]

FIFTY-NINTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 514**

FIFTH VOLUME OF SESSION 2010-2011

House of Commons

Monday 19 July 2010

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Work Clubs

2. **Tony Baldry** (Banbury) (Con): When he expects the first work clubs to be operational. [8927]

The Minister of State, Department for Work and Pensions (Chris Grayling): My hon. Friend has been slightly modest with this question, because through his constituency he has been one of the pioneers of work clubs in the UK. We are looking at his experience, and we plan to announce our intention shortly to provide additional support, so that work clubs can be developed throughout the country in areas affected by unemployment.

Tony Baldry: I thank my right hon. Friend for those kind comments. Does he agree that one benefit of work clubs and job clubs is that the whole community is able help those who are out of work, while they are out of work, to get back into the world of work as speedily as possible? May I give him an undertaking that we in Banbury and Bicester stand ready to support any third sector, voluntary or other group—anywhere in the country, but particularly in the inner cities—that is trying to set up work clubs or job clubs?

Chris Grayling: My hon. Friend's offer will be extremely welcome throughout the country. There are a small number of other clubs in operation, but we want to see that number expand significantly. Although there is a clear role for central Government in providing support through the Work programme to get people back into work, we also want to see communities and individuals engaged in helping others who are struggling to find work, and we will do everything we can, as we unroll our plans over the next few weeks and months, to ensure that those opportunities exist.

Chris Leslie (Nottingham East) (Lab/Co-op): All Members want to see as much effort as possible to help people off benefits and into work, but how much has the right hon. Gentleman estimated it will cost to cover the predicted 100,000 extra people who will be out of work because of the Budget delivered by his right hon. Friend the Chancellor of the Exchequer?

Chris Grayling: The hon. Gentleman has clearly not adequately studied the small print of all the forecasts. The reality is that by the end of this Parliament we expect to have more people in employment—significant increases in employment as a result of our approach to dealing with the deficit. The previous Government left us with a completely unaffordable deficit; they left this Government and this country in deep financial difficulties. What we had from them was a culture of irresponsibility. We will put this country back on the rails.

Mr Speaker: I call Yvette Cooper. I had thought that the right hon. Lady wanted to come in on this question.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab) *indicated dissent.*

Mr Speaker: Perhaps there has been a change of plan. Never mind.

Andrea Leadsom (South Northamptonshire) (Con): In my constituency we have two job clubs. Does my right hon. Friend agree that one of the biggest problems facing people looking for work is that, when they look for fairly low-paid work, they find that they are better off staying on unemployment benefit? That is a real problem.

Chris Grayling: My hon. Friend is right, and it is clearly an absurd situation when work does not pay. We have to make changes, and my right hon. Friend the Secretary of State is leading an effort to address that problem. In this country we have to ensure that work pays, and that we do everything possible to help people off benefit dependency and back into the workplace.

Pensioners

3. **John Robertson** (Glasgow North West) (Lab): What assessment he has made of the likely effect on pensioners of his proposed changes to the welfare system. [8928]

The Minister of State, Department for Work and Pensions (Steve Webb): Since the general election a number of changes have been announced to benefits and pensions. The most significant for pensioners was our decision, after 30 years of decline in the pension's real value, to restore the earnings link with the basic state pension.

John Robertson: I thank the Minister for his answer, but he is well aware that the earnings link will not help pensioners as of January, when they start to pay their increased VAT. That increase amounts to almost £8 billion over the life of a Parliament, so when will the hon. Gentleman stick by his party's promise during the general election campaign to fight any VAT rise? What will he do to protect those elderly people who, through no fault of their own, will be left with enormous debts, thanks to this Government?

Steve Webb: I am not sure whether the hon. Gentleman is aware that the Office for Budget Responsibility estimates that the country's structural deficit is now more than £12 billion larger than it was thought to be at the election. I do not know where he would have got that £12 billion from. As for pensioners, not only will we ensure that we restore the earnings link, but in April 2011 the full value of the cash increase in the state pension will go through to the poorest pensioners on pension credit.

Ms Angela Eagle (Wallasey) (Lab): Does the Minister agree that if the pensions in payment today had been linked to the consumer prices index rather than to the retail prices index for the past 20 years, pensions would be 14% lower than they are now? Does not the proposed shift in the definition of price indexation represent a huge raid on pension benefits, which gets worse and worse as time goes on and makes all current and future pensioners poorer?

Steve Webb: It pains me to suggest that the hon. Lady is being selective in her use of statistics, but if she looks at the increase in pensions as a whole—the basic state pension and additional pensions—she will see that we have linked the basic state pension to earnings, which over the course of 20 years, for a typical person retiring this year, will add £15,000 in extra state pension compared with price indexation, which was the policy of her Government.

Miss Anne Begg (Aberdeen South) (Lab): In a written statement, the Minister said that the Government would force occupational pensions to be linked to the consumer prices index instead of the retail prices index. What powers do they have, or will they have, to take to make that happen?

Steve Webb: I am grateful to the Chair of the Select Committee on Work and Pensions for her question, as this matter has not been well understood. Statute provides a floor above which occupational pension schemes have to operate. In other words, we will not force occupational pension schemes to cut their increases; we simply provide a floor, which used to be linked to the RPI and is now linked to the CPI. Schemes remain entirely free to go beyond that if they wish.

Industrial Injuries

4. **George Eustice** (Camborne and Redruth) (Con): What discussions he has had with the Industrial Injuries Advisory Council on industrial injuries linked to the mining industry. [8929]

The Minister of State, Department for Work and Pensions (Chris Grayling): Ministers have had no discussions with the IIAC about industrial injuries linked to the mining industry. However, my colleague Lord Freud is planning to meet the IIAC chairman and the council shortly to discuss their work.

George Eustice: In 2008 a report by the IIAC concluded that activities linked to the mining industry, such as kneeling under heavy loads, doubled the risk of suffering osteoarthritis of the knee. The activities described in the report apply as much to tin miners as to coal miners, but because the report made no specific reference to tin mining, former tin miners in Cornwall are being denied compensation. Will the Minister review the scope of that report to ensure that tin miners are treated fairly?

Chris Grayling: My hon. Friend makes an important point. I have visited his constituency and know what an important part the mining industry has played in his local economy over the years. We all very much hope that it will have the opportunity to do so again in future. I am very sympathetic to the points that he makes. I can give him an undertaking that I will discuss the matter with Lord Freud, and we will certainly make representations on his behalf to the IIAC to see whether the issue of the tin mining industry and those who have worked in it can be addressed again.

John Mann (Bassetlaw) (Lab): I am delighted to hear that the Minister is sympathetic to the mining industry and miners across the country. Can he give a guarantee that there will be no cuts whatever in the industrial injuries compensation that the Government provide to those in coal mining, tin mining and every other type of mining over the next five years?

Chris Grayling: It is the goal of this Administration to protect the most vulnerable in our society, and if people have significant issues in their lives we will do everything we can to protect them. Of course, we are facing a massive economic headache left to us by the previous Government. I expect to hear Opposition Members say, "Protect, protect, protect," to us on many occasions over the coming months, but it would not be such a challenge to do so if they had not left such an enormous mess for us to deal with.

Youth Unemployment

5. **Dr Sarah Wollaston** (Totnes) (Con): What steps he is taking to reduce the level of youth unemployment. [8930]

6. **Mr William Bain** (Glasgow North East) (Lab): What steps he plans to take to increase youth employment in 2010-11. [8931]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): The Government are committed to tackling youth unemployment. Young people can access a comprehensive range of opportunities, support and advice that will help them find employment, as part of the Work programme. As we introduce that programme, it will offer integrated employment support to young people, regardless of the benefit that they claim. I recognise the work that my hon. Friend has done in her constituency among young people. The results there are good, because youth unemployment is lower than the national average and has fallen over the past year.

Dr Wollaston: In my constituency, at this time of year when there is seasonal work things are not so bad, but there are up to 470 young people under 24 claiming jobseeker's allowance at other times of the year. Can the Secretary of State clarify what measures will be taken to boost apprenticeships to give young people better life chances?

Mr Duncan Smith: Yes, I can. As my hon. Friend knows, we made provision in the Budget for more than 50,000 new apprenticeships. It is also worth remembering that one thing that the last Government set in train, and would have introduced had they been returned, was a hike in national insurance, which would have damaged any prospect of young people in her constituency being in long-term viable jobs. There is a good story to tell, which could not have happened if we had not taken over and found savings within the budget in our first year.

Mr Bain: Given the gap that there will be between the prevention of the rolling out of the future jobs fund and the introduction of the Work programme next year, and as apprenticeships are a devolved matter, what practical help will the Secretary of State be able to provide for my constituents, particularly the 1,300 young people who are out of work in Glasgow North East at the moment? Do the Government not need to do more to prevent an autumn, winter and spring of discontent for young people in Glasgow?

Mr Duncan Smith: There will not be a gap, all existing programmes are being extended, and the Work programme will be applicable to all those young people in the hon. Gentleman's constituency. Having only just gone into opposition, he might like to reflect on the past 14 years, and the fact that when his party left office it left us with more than 1.3 million 16 to 24-year-olds not in full-time education, employment or training. That is 200,000 more than were left to the Labour party in 1997. It is a shameful record, and we do not need lectures from Labour Members about youth unemployment.

Mrs Helen Grant (Maidstone and The Weald) (Con): How does my right hon. Friend plan to break the cycle of intergenerational unemployment? In my constituency there are many families in which no one works. That has a devastating effect not only on those families but on their communities.

Mr Duncan Smith: My hon. Friend asks an important question. In the past 14 years huge sums of money have been narrowly focused on different groups, and we have forgotten that in households with families, far too many are out of work. That is one reason why child poverty has been so difficult to tackle, and why we must change the system. We want to consider how to make work pay for those on the lowest incomes, and how work can be distributed more among households and less just among individuals. Most particularly, we want people to recognise that it is more important and more viable for them to be back in work than on benefits. The complicated system that the previous Government introduced, with all its different taper rates and withdrawal rates, meant that people needed to be professors of maths to figure out whether they would be better off going to work or staying on benefits. Our job is to ensure that the system is simpler and easier to understand. Unlike the previous Government, we will value households that take a risk and try to go to work.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Secretary of State will know that many young people get fantastic help from the voluntary sector through, for example, the future jobs fund, the youth guarantee, the working neighbourhoods fund, and also through small contracts with the jobcentres to help people into work. As he is cutting those programmes by more than £1 billion, does he think that the funding from his Department for the voluntary sector to help young people and others into work will increase or decrease in the next 12 months?

Mr Duncan Smith: I would say to the Secretary of State—[Hon. Members: "Oh!"] I mean the shadow Secretary of State; I nearly made a mistake there. I would say to the right hon. Lady that we will provide sufficient funds as necessary for the voluntary sector. She should know from all our previous work that the voluntary sector is a vital part of finding people work and putting them in closer touch with their local communities. She goes on about the future jobs fund, and she must understand that we are continuing with the programmes that have already been let, but getting rid of those that have not yet been let. She knows that those programmes are incredibly expensive—far more expensive than the guarantee. We simply cannot afford them, because of the mess that the previous Government

left, so she must understand that we will get people back into work through ensuring that the economy is back on track, providing apprenticeships, which offer real opportunity for young people, and ensuring that the national insurance hike that she was about to make will not happen.

Yvette Cooper: The right hon. Gentleman will know that the consequence of his party's Budget is to cut, not increase, the number of jobs in the economy. He will also know that he is cutting 90,000 planned and funded jobs from the future jobs fund. He did not answer the question about whether he would increase or cut the support for the voluntary sector to help get people into work. As he well knows, the Minister in the Lords has told voluntary sector providers that they are too small to get contracts under the Work programme. The Government have quadrupled the size of the contracts, and are locking out the voluntary sector for up to seven years. Is not the truth that all the right hon. Gentleman's talk about the big society is simply a big con, to hide cuts in jobs, in help for the unemployed and in support to get people back to work?

Mr Duncan Smith: It is ridiculous for the right hon. Lady to stand there, two and a half months after leaving government with the finances in a total shambles, and try to lecture us about youth unemployment. *[Interruption.]* I remind her that in the whole time for which Labour Members were in government, there were only three years in which they reduced unemployment for 16 to 17-year-olds. Youth unemployment rose throughout 10 years, and the Labour Government left it worse than they found it. No lectures from the right hon. Lady, please; only apologies will do.

Mr Peter Bone (Wellingborough) (Con): Will the Secretary of State take no lectures from the Opposition on unemployment? In Wellingborough unemployment doubled under the Labour Government.

What would my right hon. Friend have said if he had been in my office on Friday, when a constituent came in and said, "My granddaughter works very hard. She's a single mum and she's just getting by, but she doesn't have a council house. The other granddaughter has given up her job and is on benefits. She has a house and is better off"? Which granddaughter is doing the right thing?

Mr Duncan Smith: Those who take the risk and try to work and take jobs are the people whom we want to support in society. The trouble is that endlessly under the previous Government, the levels of support for those who did not take a risk or a chance were too high for them ever to take those risks. The answer is very simply this: we will value those who try, and make sure that things such as housing benefit and unemployment benefit are set at rates that do not discourage people from taking work.

Child Poverty

7. **Jim McGovern** (Dundee West) (Lab): What assessment his Department has made of the effect on levels of child poverty of ending the future jobs fund; and if he will make a statement. [8932]

The Minister of State, Department for Work and Pensions (Chris Grayling): The future jobs fund is directed at young working-age people. It continues to provide work placements, and all existing contractual commitments are being honoured. Next year we will introduce our Work programme. This will offer integrated employment support to young people, regardless of the benefit that they claim. The programme will help them move into sustained employment rather than temporary jobs. The Government believe that that will have positive impact on child poverty, and indeed all kinds of poverty, in future. However, the recent changes made by the Chancellor in the Budget will have no overall measurable impact on child poverty in the next two years.

Jim McGovern: I hope that the Minister will agree that a decent living wage is the best way, and the most efficient means, of combating poverty. The previous Government certainly knew and understood that, and supported and helped many people back into work, not only to their benefit but to the benefit of their families and communities. Will the Minister consider the implications of unemployment for poverty? Will the Government reconsider their proposal to scrap the future jobs fund?

Chris Grayling: What the hon. Gentleman does not understand is that the future jobs fund does not guarantee a sustainable future job. I agree with him about getting people off welfare and into work. Nobody will rise out of poverty by remaining on welfare. We want to change things and to get people back into work, but we want to get people into sustainable work. That is why we announced 50,000 additional apprenticeships, and why the Work programme will be geared to getting people into long-term sustainable employment. We will do people no favours by creating artificial short-term schemes that cost a lot of money which, thanks to the previous Government, we can no longer afford.

Mr James Clappison (Hertsmere) (Con): Is my right hon. Friend aware that child poverty can also be tackled by helping people on low incomes to get into work or, if they are in work, to earn more? There was talk of a living wage under the previous Government. I am no professor of maths, but is he aware that analysis of materials published by his Department shows that a single mother with two children under 11 who earns £250 a week suffers an effective tax rate of 90% as a result of benefit withdrawal and tax changes? Is not that a broken, complicated and perverse system?

Chris Grayling: My hon. Friend is absolutely right. We inherited from the previous Government a system in which there are tangible disincentives to move back into work. When people do the right thing and move back into work, they often face penal rates at which they lose the money they are earning, either through loss of benefits or through increased taxation. That must change if we are to create a genuine incentive for people to do the right thing and return to the workplace.

Helen Goodman (Bishop Auckland) (Lab): The Government have already cut the future jobs fund, child tax credits and housing benefit, which will increase child poverty in two or three years' time. Will the

Minister tell us whether, in addition to that, his right hon. Friend the Secretary of State has proposed means-testing child benefit?

Chris Grayling: I have no intention of taking any lessons from the previous Government on child poverty—[Hon. Members: "Answer the question."] The Labour party promised to halve child poverty by 2010, but missed that target by 1 million children. Its failure on child poverty was lamentable. By contrast, this Government will take steps over the next few years to reduce child poverty and to ensure that we do the right thing by the people in this country who are at the bottom end of the income scale.

Future Jobs Fund

8. **Cathy Jamieson** (Kilmarnock and Loudoun) (Lab/Co-op): What estimate he has made of the number of jobs in Kilmarnock and Loudoun constituency supported by the future jobs fund. [8933]

The Minister of State, Department for Work and Pensions (Chris Grayling): We do not collect data on a constituency-only basis, so I cannot help the hon. Lady with a detailed response to her question.

Cathy Jamieson: As the Minister seems to have no idea about the number of young people on future jobs fund projects at the moment, perhaps he will consider coming to my constituency and speaking face to face to those young people who feel that those jobs have been downgraded by this Government's attitude to them as unsustainable. Will he ensure that each one of those young people is in a sustainable job within the next 24 months?

Chris Grayling: I just do not think that Labour Members understand. If someone is given a six-month job under the tag of the future jobs fund, the word "future" does not apply. It is things like apprenticeships that are genuinely about the future and about creating sustainable employment. That is why this Government announced 50,000 extra apprenticeships. That is why the work programme will focus on long-term opportunities. The tragedy of the future jobs fund is that it is precisely not a future jobs fund: it is a six-month work placement, at substantial cost to the taxpayer, at the end of which—in almost all cases—there is no job. That is a tragedy, but the fund was all about the engineering of figures under the previous Government—unlike the long-term strategy under this Government.

Disabled People (Work)

9. **Nadhim Zahawi** (Stratford-on-Avon) (Con): What steps he is taking to assist disabled people to work. [8934]

12. **Damian Hinds** (East Hampshire) (Con): What steps he is taking to assist disabled people to work. [8937]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): Nearly half of all disabled people are already in employment. However, many more could work with the right support, and want to do so. We have announced plans to implement the Work programme, which will provide personalised help to those and other customers to return to work, and we will also ensure that there is a specialist package of provision to help the most severely disabled people.

Nadhim Zahawi: In my constituency, people are rightly worried about relatives with severe mental health disability attending the work capability assessment. Can my hon. Friend tell us what safeguards will be put in place for those people?

Maria Miller: The work capability assessment was, of course, developed in consultation with medical experts and disability specialist groups. There will be an annual review to ensure that any problems with the assessment are dealt with, and there has already been a Department-led review dealing with some of the issues that my hon. Friend raises in connection with people with mental health problems. Modifications will be made, especially by expanding the support group to cover people with severe disability issues, to ensure that they are not inappropriately put into groups of activity.

Damian Hinds: My hon. Friend will be aware of the outstanding work done by Treloar college in my constituency in assisting students with very severe disabilities into work through their world of work and job coaching programmes. What can the Government do to encourage more firms to partner the college in such programmes?

Maria Miller: I join my hon. Friend in paying tribute to the staff who work at Treloar college and to the many volunteers throughout Hampshire—including in my constituency—who fundraise to help to support the excellent work that they do. It is an important independent specialist provider which supports people with some of the most complex and profound disabilities. Other providers can learn from Treloar's how to work in partnership with local employers to provide youngsters with severe disabilities with skills that make them employable so that they can get into work.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): Despite the best efforts of the last Government, there is still anecdotal evidence that people with disabilities are being discriminated against in the workplace. Can the Minister assure the House that every step will be taken to ensure that employers responsible for discriminating against people with disabilities will face the severest of penalties?

Maria Miller: There is some important legislation in place that will help employers to understand their responsibilities. The hon. Gentleman is right to highlight the fact that we are only at the beginning of a process of implementing that legislation. It is about changing cultural norms in the workplace to ensure that reasonable changes are made to help more disabled people to do the work that they want to do.

Kerry McCarthy (Bristol East) (Lab): In the coalition agreement, the Government pledged to reform the access to work programme. Will the Minister tell us what the timetable for that reform will be, and can she give us an assurance that the programme will continue to be funded

at the same level in real terms as the current access to work programme? Or is reform just another byword for cuts?

Maria Miller: I am sure that the hon. Lady will be pleased to know that I have already had meetings with officials and with employers who are participating in access to work, so as to understand how we can make it work better for more disabled people. The real challenge is to ensure that the money available supports more disabled people in an effective way, so that we actually get people into work rather than leaving them languishing on benefits.

Retirement Age

10. **Miss Anne McIntosh** (Thirsk and Malton) (Con): What public consultation will be held on proposed changes to the retirement age for state pensions; and if he will make a statement. [8935]

The Minister of State, Department for Work and Pensions (Steve Webb): On 24 June we published a call for evidence for plans to increase the state pension age to 66 on a more rapid time scale. The closing date for that consultation is 6 August.

Miss McIntosh: There is a general understanding of the need for such a change, but those who will be affected by what will be an arbitrary date desperately need the knowledge to enable them to plan their finances, to give them certainty and security in their retirement.

Steve Webb: My hon. Friend makes an important point, and we are seeking to move as quickly as possible to reach a conclusion on the change to the age of 66, to give people the maximum notice so that they can make appropriate plans.

Malcolm Wicks (Croydon North) (Lab): Notwithstanding the need to increase the age at which people draw the state pension, will the Minister and his Department look into the social class dimension? According to the latest statistics, 19% of men from the poorest social backgrounds do not survive to get their pension. Those from poorer backgrounds, who often do heavy manual work throughout their lives, die much earlier in their pension careers than those from better-off backgrounds. Will he look into the social class dimension?

Steve Webb: The right hon. Gentleman is very knowledgeable about pensions and social issues, and he has highlighted an important matter. We specifically referred to this in the call for evidence for the change to 66. The good news is that life expectancy is increasing across all social groups, but the factor that he mentioned is an important one, and we will consider it when we examine state pension ages.

Education Leavers

11. **Mr David Burrowes** (Enfield, Southgate) (Con): What steps Jobcentre Plus plans to take to assist education leavers into employment and training in 2010. [8936]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): All education leavers claiming jobseeker's allowance receive help and support from a personal adviser, access to jobs and a range of employment and training opportunities. These include help with job search skills, which is very targeted and very personalised. Help is also available from partner organisations such as Connexions.

Mr Burrowes: Given the previous Government's legacy of youth unemployment, is my right hon. Friend aware of the additional problem of education leavers with criminal records seeking employment through the route of rehabilitation? What is his Department doing to give young offenders a second chance to get on the employment ladder?

Mr Duncan Smith: I think my hon. Friend will find that the unified Work programme will be one of the better ways of tackling that issue, because it will be very narrowly focused. If we get it absolutely right, it will be narrowly focused on the needs and problems of those individuals. The previous set of programmes was too disparate; now we can focus, and we should be able to help. Another issue worth raising, although it does not come under the remit of our Department, is what remains on people's records, and I hope that in due course we will be able to look carefully at that. People trying for that second chance sometimes find that employers say no to them simply because they have been inside, and a compassionate society should try to do something about that.

Mr David Hanson (Delyn) (Lab): Does the Secretary of State recognise the figure of 120,000 young people who will be added to the dole queue because of cuts in Government programmes such as the future jobs fund and the long-term guarantee for jobs, as well as the cuts to university places taking place in a different Department? Does he believe that Jobcentre Plus will be able to cope with that increased Government-led demand?

Mr Duncan Smith: I do not recognise that. The right hon. Gentleman was in a Government who completely failed to deal with youth unemployment. They ended up leaving office with higher youth unemployment than they inherited. That is not something that we want to crow about, but it is the reality. We need to do better than that, but we also face the challenge of reducing the deficit that his party's Government left us. I recognise his interest and his compassion, but unless we put the economy right, we will not be able to exercise either.

Simon Hughes (Bermondsey and Old Southwark) (LD): Will my right hon. Friend look this summer particularly at the 16-year-olds who are leaving school, to make sure that the jobcentre works not just with Connexions but with the relevant parts of the youth service to provide a much more integrated and much better informed set of opinions and advice than have been offered to young people in the past? There is an urgent need for 16-year-olds to have good advice between jobs and apprenticeships and further education.

Mr Duncan Smith: I absolutely guarantee to do that, and I will talk to my right hon. Friend the Minister of State about it. It is worth bearing in mind what a real

challenge this is for us. I have to repeat that, over the past 14 years, that group particularly was most failed by the previous Government. Before they carry on giving us lectures about it, they should recognise that failure and probably apologise for it.

Toby Perkins (Chesterfield) (Lab): Given that the Secretary of State says that the Labour Government failed young people and that his policies are going to be so much better, if youth unemployment goes up, will he resign?

Mr Duncan Smith: Unless we can get retrospective resignations from the whole pack of the last Cabinet, I do not think that I should answer that.

Work Programme

13. **Julian Smith** (Skipton and Ripon) (Con): What recent representations he has received on his Department's proposed new Work programme. [8938]

The Minister of State, Department for Work and Pensions (Chris Grayling): We have had a large number of representations from organisations interested in and interested to participate in the Work programme. My colleagues and I have also had a series of meetings with interested parties among the provider community and the financial community.

Julian Smith: Will my right hon. Friend pay tribute to the Skipton and Ripon enterprise initiative led by Alan Halsall, chairman of Silver Cross Prams in my constituency, which has built a network of established business owners who are voluntarily giving their time to provide advice to anyone who wants to set up a business?

Chris Grayling: I will indeed pay tribute to my hon. Friend's constituent. As well as Government action to address the problems, we should capture the valuable experience of communities and individuals in building businesses, and use it positively to help those who are out of work. We particularly want more individuals to move off benefits into self-employment. I have no doubt that my hon. Friend's constituent and—I hope—others around the country will be able to make a big difference to these people as they seek to build their businesses in the years ahead.

Ann Clwyd (Cynon Valley) (Lab): Has the right hon. Gentleman had representations from the academic behind the new benefit system, who said that

"ministers should postpone plans to move 2.5 million incapacity benefit claimants on to the new employment and support allowance... until serious errors have been rectified... To go ahead with these problems is not just ridiculous. It is, in fact, scary"?

That was said by Paul Gregg, Professor of Economics at the university of Bristol.

Chris Grayling: If one looks at what the last Government first set up with the work capability assessment, I have some sympathy with that view, and I have changed some of these things. The last Government actually expected people on chemotherapy to be judged fit for work. We moved quickly to change that, and we have also set up a review of the work capability assessment, which will report by the end of the year. I have made sure that there is a voice on that from groups that have deep and detailed knowledge of the area. For example, we have the head of Mind acting as an adviser to the review. That is how we will get it right; we will do all we can to do so.

Carer's Allowance

14. **Anas Sarwar** (Glasgow Central) (Lab): What plans he has for the future of the carer's allowance scheme. [8939]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): The Government recognise that the UK's 6 million carers play an indispensable role in looking after family, friends and members of the community who need support. We have set out our commitment to simplify the benefit system in order to improve work incentives and to encourage responsibility and fairness. We will consider carefully the needs of carers as we develop our thinking on welfare reform.

Anas Sarwar: I thank the Minister for that answer. As you will be aware, Mr Speaker, carers are the unsung heroes in our communities, many of whom work seven days a week, 24 hours a day in return for a miserly allowance of £53.90. Fairness has been mentioned, but as a result of the VAT increase in the Chancellor's Budget, that allowance is now worth even less. What will the Minister and her Department do to correct that unfairness?

Maria Miller: I thank the hon. Gentleman for his question concerning an issue that I know he cares about and puts a lot of thought into. The carers whom I have met since taking up my position feel strongly that it is not only the financial benefits and supports that are important, as they also want the ability to get into work. At the moment, one in five carers are forced to quit work rather than to carry on, as they would like to. We will therefore focus on making sure that these people get access to flexible working, personalised budgets and direct payments and, in the long term, we will have a commission for long-term care. That is how we can ensure that the support for carers is in place. There were measures in the Budget that will help to make sure that financial support is there for carers, particularly in the area of housing.

Tracey Crouch (Chatham and Aylesford) (Con): There are 21,000 carers in Medway. They do an invaluable job which is often unrecognised, but the benefits system remains incredibly complex, and many are unaware of their entitlements. What plans has the Minister to simplify the system to make it more accessible to them?

Maria Miller: My hon. Friend has hit the nail on the head. Carers find it incredibly difficult to navigate the benefits system. We will do all that we can to remove any disincentives preventing people from going out to work. The one thing that we will not do is implement the policy of clawing back 1.5% of carer's allowance, as the last Government did. That is the last announcement that carers would want to hear at this time.

Work Capability Assessment

16. **Hywel Williams** (Arfon) (PC): What recent representations he has received from Citizens Advice on the employment and support allowance work capability assessment; and if he will make a statement. [8941]

The Minister of State, Department for Work and Pensions (Chris Grayling): I have read carefully the report on the issue by Citizens Advice. I have had meetings with its national leadership, and have also visited local volunteers to discuss the issues with them.

Hywel Williams: The evidence from Citizens Advice on Labour's work capability assessment is clear and damning. It states that

"people are being inappropriately subjected"

to the assessment, that it

"is not an effective measure of fitness for work",

and that it is

"producing inappropriate outcomes."

The perception among my constituents, however, is that the Government are responding by making the test even stiffer. Can the Minister assure me that he is taking that evidence seriously?

Chris Grayling: Absolutely. I was profoundly concerned to discover some of the things that the last Government had done. That is why we are taking steps to address some of the problems, such as the fact that people undergoing chemotherapy have been expected to go to work, which is one of the examples of actions that were completely wrong. We have also commissioned a review by a leading professor, backed up by senior figures with relevant experience of matters such as mental health. We will seek to ensure that the work capability assessment, while being right, fair and proper in the system as a whole, is judged as effectively as possible so that it does not treat unfairly people in genuine need.

Duncan Hames (Chippenham) (LD): I welcome the Minister's review of the work capability assessment, which is long overdue. Two thirds of sufferers from Parkinson's disease have been deemed fit for work. Such people suffer from a long-term, complex, debilitating but also fluctuating condition. What assurances can the Minister give that his review will ensure that future assessments are not so crude as to brand them benefit cheats?

Chris Grayling: I assure the hon. Gentleman that there is no way on earth that we would seek to brand people in that position benefit cheats. Our job is to find the right dividing line. When it is practical to do so, we should help people with disabilities into work. There is general agreement among all the groups who work with them that that is the positive and the right thing to do. However, we must also ensure that people who are genuinely not capable of working receive unconditional support, and all the care that we can possibly provide. That is where we will seek to draw the line.

Early Intervention

17. **Mr Graham Allen** (Nottingham North) (Lab): What recent discussions he has had with the Chancellor of the Exchequer on the development of early intervention policies. [8942]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): The hon. Gentleman's experience and knowledge of these issues is unrivalled in the Chamber, and he has sought to present them on a non-party-political basis so that we can continue to discuss them. I have had a number of discussions with my right hon. Friend the Chancellor of the Exchequer, and, as the hon. Gentleman knows, I continue to discuss the issues with him. I hope that we shall be able to make progress, preferably on a non-party-political basis.

Mr Allen: The Secretary of State will know that early intervention to help babies, children and young people to develop socially and emotionally so that they can make the best of themselves is one of the processes that depend heavily on the bolting together of small bits of funding, which are likely to suffer most in the current economic climate. Will he talk seriously to the Chancellor of the Exchequer about exploring other means of raising sustainable funds so that early intervention can continue for a generation, which will be necessary if we are to ensure that our young people get the best out of life?

Mr Duncan Smith: As the hon. Gentleman knows, the issue of early intervention is specifically lodged with another Department, but I take an interest in it, and guarantee that I will continue to do so. I can say without fear or favour that I think it has the greatest potential to change many of the lives that we talk about—lives of worklessness and poverty, including child poverty. It is arguably one of the most significant issues in the medium to long term, and I will do my level best to ensure that it is pursued.

Poverty

18. **John Glen** (Salisbury) (Con): What steps he is taking together with ministerial colleagues to tackle poverty. [8943]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): The Government are committed to creating a stronger society based on the principles of freedom, fairness and responsibility. The Cabinet Committee on Social Justice will be the forum in which Ministers look at how to tackle issues around poverty. The Committee will ensure that, for the first time, Departments must thoroughly examine the overall impact of their policies, so that we can avoid unintended consequences and the poorest being hit hardest.

John Glen: I thank the Minister for her reply. Last Friday, I visited the Trussell Trust food bank in my constituency, and it became clear in conversation with Chris Mould, the director, that one of the principal reasons why the charity had to make £41,000 in grants of food aid in emergency circumstances last year was that benefits had been delayed. What steps can the Minister take to assure my constituents, and those of other Members, that such delays are minimised so that acute poverty—where people need food—will not occur again during the next five years?

Maria Miller: Delays in getting benefits to recipients are obviously critical, particularly for those whose families face the toughest circumstances. I will look into the specific points that my hon. Friend has raised, but I

remind him that we are in this position, with 2.8 million children living in poverty, because the previous Government left us with a very difficult legacy, and some of these issues will take some time to address.

Topical Questions

T1. [8951] **Chris Bryant** (Rhondda) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): As a society, we are living longer and healthier lives, and we need to make sure that the state pension system is sustainable and affordable in the longer term. As such, I hope that the House will take note of the review that we are undertaking into increasing the state retirement age to 66, and I would like to take this opportunity to ask Members to add their contributions to the call for evidence as and when they can, because this is an important debate.

Chris Bryant: May I ask the Secretary of State about the issue of teenage pregnancy, which, as he knows, affects many constituencies around the land? We have a very high rate compared with other countries across the world and, unfortunately, research done by the Joseph Rowntree Foundation suggests that many young women effectively choose teenage pregnancy and having a baby as an alternative career. What is the Secretary of State's Department going to do, in association with other Ministers, to make sure that girls have a proper sense of self-worth, and that when they do have a baby they have a chance of getting into work?

Mr Duncan Smith: The hon. Gentleman has, not for the first time, raised a very important issue. There is no magic wand to solve this, and crucially, as he knows from when he was in government, these are not stand-alone issues. Sometimes it is very easy simply to stigmatise a group of young women and say, "It's all your fault," when in fact they may well themselves come from broken families where they have only witnessed their own mothers going through the same circumstances and where men have not been involved. There is a much wider set of circumstances, therefore. Of course, making work pay for such women is important, as is recognising that, as the hon. Member for Nottingham North (Mr Allen) mentioned, we need to intervene very early. Most of all we need to make sure that people are ready, trained and able to take up work and that that work pays. That will help enormously in giving them an idea that there is a life beyond just having a child on their own and that sometimes they need support.

T2. [8952] **Mark Lancaster** (Milton Keynes North) (Con): Last week I met a constituent who had been on incapacity benefit for many years. Apart from the initial medical examination, he had not received an examination in nine years. Does the Secretary of State share my concern about a system that seems to let people down so badly?

The Minister of State, Department for Work and Pensions (Chris Grayling): My hon. Friend is absolutely right. There are 2.2 million people on incapacity benefit and an additional 400,000 on employment and support allowance, and under the previous Government a very large number of them heard absolutely nothing from the state; they were simply left to rot on benefits. I think that is wrong. Many of those people could benefit enormously if we helped them back into the workplace. That will be a central goal of the Work programme. My one regret is that the Labour party did not do that years ago.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): May I ask the Secretary of State particularly about the overall impact of the welfare changes announced in the Budget and since then, because he will know that, for instance, the value of carer's allowance is being cut by about £135 a year over the next few years, which particularly hits women, and that the value of attendance allowance is being cut by about £185 a year over the next few years, again particularly hitting women? Has his Department done any assessment of the overall impact of the £11 billion of welfare cuts on women—yes or no?

Mr Duncan Smith: We are assessing all the impacts of every change we are making. As the right hon. Lady knows, we will be publishing those relating to housing benefit, and as and when we have the full details, I will quite happily let her know.

T4. [8954] **Nadhim Zahawi** (Stratford-on-Avon) (Con): In my constituency, a large number of people—much larger than the national average—are pensioners, and in my region an amazing 22% of pensioners are in effective poverty. What will my hon. Friend be doing for the most vulnerable pensioners?

The Minister of State, Department for Work and Pensions (Steve Webb): We need to ensure that, as well as lifting the level of the basic state pension, the most vulnerable pensioners, who receive the pension credit, get the full benefit of the increase that we will be introducing next April. However, in the longer term we do not want to allow people to retire poor and then try to catch them through a means test; we want to ensure that more people have, for example, workplace pensions, so that fewer people retire poor in the first place. That is a better strategy for the long term.

T3. [8953] **Tom Greatrex** (Rutherglen and Hamilton West) (Lab/Co-op): Given the brief opportunity afforded by Lord Young for others to input into his review of health and safety legislation, what comfort can the Minister give my constituents that its motivation is a serious effort to ensure that the right protection is in place to prevent disasters such as the one that occurred in the constituency of my hon. Friend the Member for Glasgow North (Ann McKechin), at Stockline, rather than another excuse to trot out the usual litany of myth and distortion for the gratification of the *Daily Mail*?

Chris Grayling: The hon. Gentleman has to understand that any Administration must find a balance. If we regulate too much, there will be fewer jobs; at the same time, if we do not regulate enough, employees will be exposed to danger. We have to find the right balance between those two, and I do not believe that over the past 13 years the previous Government did that. They over-regulated, drove companies overseas and cost jobs. We will endeavour to ensure that we restore a degree of

common sense, not simply to health and safety regulation but to the regulatory burden imposed on business right across government.

T5. [8955] **David T. C. Davies** (Monmouth) (Con): People applying for jobs in areas that require Criminal Records Bureau checks often have to wait weeks or months for those checks to come through, and during that time they are ineligible to claim jobseeker's allowance. Will the Minister look sympathetically at these rules, which have the unintended consequence of sometimes discriminating against British nationals?

Chris Grayling: My hon. Friend makes a very important point. There are a number of areas we have inherited from the previous Government in which there is an almighty mess to sweep up. I give him my commitment that I will look at the issue he has raised and discuss it with colleagues at the Home Office to see whether we can find a better way of streamlining the system, so that problems such as the one he has outlined do not occur.

Mary Creagh (Wakefield) (Lab): The Minister said that the disability living allowance budget will be cut by more than £1 billion by 2014. Can she tell the House which groups of disabled people are likely to see their benefits cut?

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): In the Budget the Chancellor made it clear that we need to look at the disability living allowance and put in place an objective assessment to ensure that money is going to the people who need it most. We will undertake a review, working closely with disability lobbies, to ensure that we focus on people who need that help the most.

T6. [8956] **Robert Halfon** (Harlow) (Con): Does the Minister agree that more must be done to help the unemployed over-50s, who are not necessarily on benefits? A constituent of mine, Mr Kevin Forbes, who was made redundant, has applied for more than 4,700 jobs without any luck. What comfort can the Minister give him and many others that we will radically improve back-to-work schemes for the over-50s?

Steve Webb: My hon. Friend raises an important point, not least about ageist attitudes, particularly among employers. One of the worst examples is that it is currently legal to sack somebody for being over 65. We think that that is outrageous. The previous Government talked about it, but we are going to change the law, and that will be part of a cultural change. We need to see longer working lives. Many people want to go on making a contribution, and, like my hon. Friend's constituent, they are thwarted in their attempts to do so. We need to change that culture and to change attitudes.

Mr Speaker: It is always a pleasure to listen to the Minister. May I just ask him to face the House? It is a very natural temptation to look backwards, but facing the House helps us all.

Mr Ian Davidson (Glasgow South West) (Lab/Co-op): I welcome the review of housing benefit, but does the Minister accept that it perhaps does not go far enough, inasmuch as it does not examine the role of landlords? Many are milking the system while neither taking steps to control antisocial behaviour by their tenants, nor undertaking appropriate repairs to stop the house—and, indeed, the whole area—falling into decay.

Mr Duncan Smith: I agree, in part, with the hon. Gentleman, who raises an important issue, because housing benefit has been in need of a review. I know for a fact that the previous Government were reviewing it, so we are trying to complete that process. He is right to say that one of the biggest problems about housing benefit, and local housing allowance in particular, is that because it has been almost open-ended, landlords have pushed and pushed on rent levels which have then pulled up the amount of money that has flowed out; the increase has been £5 billion over five years. I will be discussing with the Department for Communities and Local Government whether there is a way in which we can rectify that, but he is right to raise it. I am glad that someone on the Labour Benches has made a positive statement about the need to sort it out.

T7. [8957] **Malcolm Bruce** (Gordon) (LD): Further to the previous answer on disability living allowance, can the Minister say when these definitive objective tests will be produced? Does she accept that the budget has trebled because the allowance is so unclear? Does she also accept that objective criteria mean that some people who do not receive the allowance will qualify in future and that many who currently get it will lose out, so the sooner we have the clear criteria, the better for all concerned?

Maria Miller: I reassure the right hon. Gentleman that we will be working quickly on this and we will be involving specialist disability lobbies. As he is no doubt aware, these are complex matters and we need to ensure that, whatever actions we take to unravel the problems that we have been left with, our solutions have long-term and sustainable merit.

Nick Smith (Blaenau Gwent) (Lab): My question is on pensioner poverty. Parts of my constituency are more than 1,200 feet above sea level and in the winter they can be very cold, so will the Minister guarantee not to cut the cold weather payments in the coming five years?

Steve Webb: As the hon. Gentleman knows, the underlying level of cold weather payments has been £8.50, which was increased to £25 for the past two winters. We are considering the rate for the coming winter, but we take representations each year on cold weather stations to make sure that they match the exact geography of local areas, for the sort of reasons that he gives.

T8. [8958] **Mr David Burrowes** (Enfield, Southgate) (Con): Will my hon. Friend inform the House of the estimate of the number of benefit claimants who are addicted to alcohol and/or drugs? Will she outline the opportunities that will arise under the Work programme to reduce dependency, which can often be both on drugs and alcohol, and benefits?

Maria Miller: I thank my hon. Friend for his question, and I know the amount of work that he has done in this area. Helping people who are trapped on benefits through

drug and alcohol addiction is, as he knows, a top priority for the Government. It is estimated that in England there are 270,000 problem drug users on working-age benefits; information is not currently available on the number with alcohol dependency, but I am sure that if it were, the figures would be pushed up even further. The new Work programme will recognise the cost of helping someone with multiple barriers and will allow the flexibility to tailor the support that people need.

Margaret Curran (Glasgow East) (Lab): Given the Secretary of State's commitment to my constituency, which includes Greater Easterhouse, and to children there, may I ask him directly to take the opportunity today to rule out the means-testing of child benefit?

Mr Duncan Smith: I am enormously fond of the hon. Lady's constituency, but as she knows, that is not an area for my Department; it comes under the Treasury brief. I can give her a guarantee that I have had no discussions with the Treasury about that matter.

T9. [8959] **Julian Smith** (Skipton and Ripon) (Con): At my surgery on Saturday, Liz Harlow, a benefits adviser, told me that it is taking weeks to process applications for crisis loans. Given that they are described as loans that can provide help in "an emergency or disaster", can Ministers reassure me that they will be processed more quickly in future?

Steve Webb: My hon. Friend raises a vital issue. We need to ensure that crisis loans are administered far more efficiently than they are at present. I am aware that there are delays. I am happy to look not only into the individual case that he raises, but more systematically at whether the social fund is delivering—I do not think that it is.

Joan Walley (Stoke-on-Trent North) (Lab): Given the vital role that Jobcentre Plus staff play in getting people back to work and given that about 13,500 of them are on fixed-term contracts, some of which are due to end in November, can the Minister give the House an assurance that talks are taking place to extend or make permanent job contracts?

Chris Grayling: The previous Government recruited staff on a short-term basis—on short-term contracts—precisely because they were brought in to deal with a time when unemployment was rising. Unemployment is, fortunately, now falling. Inevitably, some of those contracts will come to an end and it will not be possible to keep those staff on. I very much hope that those who have built up good experience in Jobcentre Plus will be able to find alternative employment, given the fact that the employment services sector is growing and that the Work programme is lying ahead.

Jane Ellison (Battersea) (Con): I very much welcome the comments made by my right hon. Friend a moment ago about housing benefit. There are particularly difficult problems in London, where housing benefit has contributed to some enormous discrepancies in rent. May I ask him to take a particular interest in the problem in the capital, where the poverty trap is one of the greatest in the UK?

Mr Duncan Smith: We are fully aware that there might be peculiar circumstances in London and we have already trebled the discretionary allowance. We are still considering all these matters and making allowances, so I guarantee that we will continue to watch this matter. My hon. Friend is right that this has been a real issue—working people on low incomes have had to pay the bill for local housing allowance without being able to live in the sort of houses that those who are on local housing allowance and who are unemployed can live in. There is a real disparity and unfairness and we need to sort that out.

Mr Denis MacShane (Rotherham) (Lab): Does anyone on the Government Front Bench believe that we can effectively tackle poverty without also reducing inequality in wealth and income? Any one of them is welcome to reply.

Mr Duncan Smith: Yes, the right hon. Gentleman is right that we must do both. Under the previous Government—the Government of whom he was a member—inequality was at its worst since 1961. Clearly, they did not think that we must do both, but we do.

Martin Horwood (Cheltenham) (LD): My constituent, Jackie Sallis, acquired her lifelong disability at birth, has tried but invariably failed to hold down a job and has been in receipt of disability living allowance. As regards the review that the Minister has already mentioned, will she reassure us that adults with lifelong conditions will not be subject to a regime of constant medical assessments that try to prove them fit for work, which will be stressful for them, ultimately pointless and, presumably, very expensive for the public purse?

Maria Miller: My hon. Friend raises an important point. As we pull together the procedures for the revisions to disability living allowance, we will consider just those sorts of things. We want to ensure that it is proportionate and that regular reviews are considered, so that the allowance can be given to those with the most need without putting too much pressure on those who will never move away from DLA.

Huw Irranca-Davies (Ogmore) (Lab): The Minister will know that the Welsh Assembly Government have some of the most progressive policies on poverty alleviation. Will she—or any of the Front-Bench team—tell us what discussions they have had with Welsh Assembly Ministers and whether, should those Welsh Assembly Ministers express any reservations about the net impact of their policies on poverty in constituencies such as mine, they will take those reservations seriously?

Mr Duncan Smith: I have spoken to the Welsh Secretary on a number of occasions and I have accepted her invitation to go and visit the Assembly—*[Interruption.]* I have not yet gone, but I have had correspondence with various Ministers. I promise the hon. Gentleman that he will have our eagle eye over the course of the process just as others have.

Several hon. Members *rose—*

Mr Speaker: Order. I am sorry that we must move on, as there is an important debate to follow that is heavily subscribed—but not before we have heard a point of order from the right hon. Member for Rotherham (Mr MacShane).

Points of Order

3.32 pm

Mr Denis MacShane (Rotherham) (Lab): On a point of order, Mr Speaker. At close of business tonight we will pass the estimates—an awful lot of money—without a vote. Bundled into that are the IPSA estimates, which show that £6.6 million will be spent simply on IPSA administration compared with £2 million under the previous regime. In the future, will it be possible to separate out the IPSA estimate so that we can have, if necessary, a debate and a vote on it?

Mr Speaker: The short answer to the right hon. Gentleman is that it is not possible to devise some new procedure for the purpose that he described. Moreover, I am not sure that it is necessary. The right hon. Gentleman has just pithily explained his precise understanding of the size of the IPSA estimate as a feature of the total estimate. If he works on the basis that everybody else is as capable of interpreting these matters as he is—that is an if, I accept—he might be satisfied that there is a general level of understanding of these important matters.

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): On a point of order, Mr Speaker. As regards the speed with which today's business is being taken through the House, the Secretary of State for Education suggested on the radio this morning that comparison could be drawn between the Academies Bill, with its 16 clauses and two schedules, and legislation on the assisted places scheme to remove the subsidy to private education, which had three substantive clauses and two technical clauses and for which I was responsible in 1997. I know that you cannot protect Parliament from everything that the coalition does, Mr Speaker, but is not the comparison to be made between this Bill and the Dangerous Dogs Act 1991, and will you protect us from the dangerous dogma of the coalition Government as they push this Bill through?

Mr Speaker: I am always keen and anxious to protect the House and I take considerable steps to do so. I have not made the comparison that the right hon. Gentleman suggests, but of course there would be no need for me to do so because he has just made that comparison extremely effectively. It is on the record, and I know that he will want to share it with the residents of Sheffield, Brightside.

Academies Bill [*Lords*]

Second Reading

3.35 pm

The Secretary of State for Education (Michael Gove): I beg to move, That the Bill be now read a Second time.

Today's Second Reading marks the first legislative step towards the fulfilment of our manifesto commitment to improve England's education system. It grants greater autonomy to individual schools, it gives more freedom to teachers and it injects a new level of dynamism into a programme that has been proven to raise standards for all children and for the disadvantaged most of all.

The need for action to transform our state education system has never been more urgent. In the past 10 years, we have seen a decline in the performance of our country's education in comparison with our competitors. We were, 10 years ago, fourth in the world for the quality of our science education; we are now 14th. We were, 10 years ago, seventh in the world for the quality of our children's literacy; we are now 17th. And we were, 10 years ago, eighth in the world for the quality of our children's mathematics; we are now 24th. At the same time as we have fallen behind other nations, we have seen a stubborn gap persist between the educational attainment of the wealthiest and the opportunities available to the poorest.

Pioneering work by Leon Feinstein for the Institute of Education has proven that educational disadvantage starts even before children go to school and that children of low cognitive ability from wealthy homes overtake children of greater cognitive ability from poorer homes even before they arrive at school. As they go through school, the gap widens. Schools, instead of being engines of social mobility and guarantors of equality, are only perpetuating the divide between the wealthy and the poorest. At key stage 1, some 71% of pupils who are eligible for free school meals are reading at the expected level, compared with 87% of pupils who are not eligible for free school meals. At the end of key stage 2, the gap has grown wider. By the end of primary school, just 53% of pupils who are eligible for free school meals reach level 4—the expected level in English—compared with 76% of pupils who are not eligible for free school meals.

As students go through secondary school, the gap becomes even wider. By the time they are taking their GCSEs, just 27% of pupils who are eligible for free school meals get five A to C grades, including English and maths. That is exactly half the figure for those students who are not eligible for free school meals. When it comes to A-levels and university entry, the gap is wider still. In the last year for which we have figures, of the 81,000 who had been eligible for free school meals, just 45 made it to Oxbridge by the time they turned 19, whereas one top London school gets an average of 82 Oxbridge admissions a year. We cannot go on with such a drastic waste of talent, which is why we need to legislate now to ensure that opportunity becomes more equal in our society.

As well as the legislation that we are bringing forward today, the coalition Government are bringing forward a series of changes to transform our educational system. We are hoping to transform teaching for the better by doubling the number of graduates on the Teach First

scheme, which has already been proven to raise attainment, particularly in the poorest areas. The expansion of Teach First was backed by every party in the House of Commons at the time of the last general election, but it is the coalition Government who have found the money to ensure that the very best graduates are in the schools that need them most. We will be bringing forward proposals to improve the continuous professional development of all teachers to ensure that the current crop of teachers—here I agree with the shadow Education Secretary that they are among the best ever—can benefit from the best evidence available on how to raise attainment.

When it comes to attracting great teachers, we know that we need to take action on discipline, because the biggest single disincentive for talented people going into the classroom is the standard of behaviour that they encounter. As a result, the Minister of State, Department for Education, my hon. Friend the Member for Bognor Regis and Littlehampton (Mr Gibb), has outlined proposals to change the rules in order to give teachers greater confidence on the use of force, greater confidence when they exercise search powers and greater protection when false or vexatious claims are made against them.

As well as changing the rules on discipline, we are conducting a thoroughgoing reform of special educational needs. The Bill makes it clear that in future there will be protection for all pupils who have statements when they apply for academy schools, so that they are treated on an even keel. We shall have a comprehensive review, led by the Minister of State, Department for Education, my hon. Friend the Member for Brent Central (Sarah Teather), to ensure that the heartache suffered by so many children who cannot get the school they need for their special needs is addressed.

We shall also be taking steps to ensure that our children are reading fluently earlier in primary school, and we shall be transforming our curriculum and our examinations so that they rank with the world's best—less prescription in the curriculum, more rigour in our examinations.

Chris Bryant (Rhondda) (Lab): The right hon. Gentleman was speaking expressly about the curriculum that those schools will pursue. Many of us are worried about two areas where the schools may effectively opt out of things we believe are important to everybody. The first is religious education. Schools might advocate a set of religious prescriptions that were inimical to the broad understanding of most people's expectations about British society. The second is sex and relationship education. We believe that it is important that every child should have an opportunity to understand their self-worth, so that they can make better decisions affecting their future.

Michael Gove: I respect the hon. Gentleman for his commitment to both those issues. As part of our curriculum review later this year, we shall address both religious education and sex and relationship education. I agree that it is important that when sex and relationship education is reformed—as it will be—we go for the maximum consensus across the House, and that we do so in a way that ensures that as many schools as possible buy into our belief that we should have a 21st-century curriculum that reflects a modern understanding of sex and relationships.

Mr Tobias Ellwood (Bournemouth East) (Con): I welcome the Second Reading of the Bill. It has gained a huge amount of support in Bournemouth. Despite what the unions say, many teachers and schools are looking forward to the extra powers they are likely to gain from the Bill.

My right hon. Friend mentioned the curriculum. As he knows, I am a huge supporter of the international baccalaureate, and if, as I hope, the Bill becomes law, could he say what scope it will allow schools to drop A-levels and take on the international baccalaureate?

Michael Gove: My hon. Friend is a great advertisement for the way in which the international baccalaureate develops a rounded individual, with all the characteristics needed to succeed in life. It is a pity that the commitment of the previous Prime Minister, Tony Blair, to have a school offering the international baccalaureate in every neighbourhood was one that the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown) decided to abandon. I assure my hon. Friend that academies can offer the international baccalaureate and, to be fair to the shadow Education Secretary, some academies that opened on his watch, including Havelock academy in Grimsby, offer the middle years programme of the international baccalaureate. One of the things we want to see is a greater degree of curriculum flexibility, so that teachers, not bureaucrats, can decide what is in the best interest of their pupils.

Vernon Coaker (Gedling) (Lab): You can decide.

Michael Gove: I am going to hand power back to teachers. There are some teachers, Vernon, like yourself, that I should be a little less reluctant to hand power back to.

The Bill trusts teachers. It marks a big step forward from what happened under the last Government. The last piece of education legislation that Labour tried to bring forward sought to prescribe in excessive detail exactly what should happen in every school, but all the evidence suggests that a greater degree of autonomy and freedom yields results for all pupils. Even before academies, a group of schools—the city technology colleges—was established by my right hon. Friend Lord Baker of Dorking. All of them were comprehensive schools in working-class, challenged or disadvantaged areas. All of them were established independent of local authority control. They are now achieving fantastic results. On average, their GCSE performance involves more than 82% of students getting five good GCSEs, including English and maths, which is at least half as good again as the average level of all schools in the country.

We know that CTCs have been successful. They have been in existence for more than 20 years and are a proven model of how autonomy can work. It was their persuasive work and the evidence of school improvement they generated that prompted Tony Blair, when he was Prime Minister, to go for the academies programme. He believed that the autonomy CTCs benefited from should be extended much more widely.

Mr David Ward (Bradford East) (LD): Is the Secretary of State aware that Dixons CTC, one of the first in the country, has hardly any European students at all, yet

[Mr David Ward]

the new Bradford academy, which is less than a mile away, is overrun with new arrivals from eastern Europe? How does he explain that?

Michael Gove: My understanding is that the Bradford Dixons CTC operates a banded entry system, which is one of the truest and fairest methods of comprehensive entry, but I recognise that demographic change in Bradford and elsewhere is posing challenges for all schools. One of the things I believe is that the success of many CTCs shows that children, including those with special educational needs and those who have English as an additional language, can flourish. I hope that other schools in Bradford will contemplate—as several of them are—taking on some of the freedoms in the Bill to address the very real deprivation that exists in that city and that my hon. Friend has done so much to address, both as a councillor and as a Member of Parliament.

Bob Russell (Colchester) (LD): The Secretary of State makes a compelling case about why schools should get away from the control of local education authorities, such as the dead hand that we have in Essex. In the era of the big society, should not the number of elected parents on an academy's governing body at least match the number of elected parents on a secondary school's governing body?

Michael Gove: My hon. Friend mentions the big society. I was asked earlier today on Radio 5 Live, "What is the big society?" and an image of him came to my mind. In many respects, he sums up the big society. He is not only an exemplary legislator, but a dedicated citizen activist who has always put Colchester first and last. I believe that he will be able—I know this from our informal conversations—to use the legislation to ensure that schools in his part of the world can acquire academy status, with an equal number of parent governors and other governors, thus providing him with the sort of model that, I am sure, he will press other hon. Members across the House to emulate.

Stephen Pound (Ealing North) (Lab): Before the right hon. Gentleman completely rewrites the front pages of every newspaper in Colchester tomorrow, may I return him to CTCs? Can he tell us how many CTCs teach creationism as an integral part of the curriculum? Does he feel that the number is too many, too few or just about right?

Michael Gove: The number is zero, which is just about right. It has often been alleged that, for example, Gateshead Emmanuel CTC teaches creationism as part of the science curriculum. Having visited that school, I know that it does not. I can tell anyone who is a critic of CTCs or academies that the cure for such cynicism is to visit them. It used to be said that the cure for anyone who admired the House of Lords too much was to visit it. Having visited the House of Lords during its deliberations on the Bill, I am full of admiration for the way in which it was debated there and for the many Liberal Democrat colleagues who helped to improve it. To anyone who wants to see how our schools can be improved, I recommend visiting academies such as Mossbourne community academy in Hackney, with 84% of children getting five good GCSEs; Burlington Danes academy in Hammersmith, where a school that was in special measures now has more than half its children getting five good GCSEs; Manchester academy, where Kathy August, on behalf of the United Learning Trust, has taken a school in which only 6% of students got five good GCSEs to a point where 35% do so now—all great successes, which I am sure the hon. Gentleman will want to applaud.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I do indeed applaud all those successes. Surely the difference between the CTCs and academies that Labour introduced and the right hon. Gentleman's proposal is that the CTCs and academies deliberately focused on areas of disadvantage, but his proposal is to give first priority to outstanding schools, which are disproportionately in areas of affluence and advantage.

Michael Gove: First, outstanding schools can be found in any area, including areas of disadvantage. Secondly, if most of our outstanding schools are in areas of advantage, is it not a telling indictment of 13 years of Labour rule that all the best schools are in the richest areas? The hon. Gentleman lost his seat just five years ago; if only he had stayed in the Department for Education, perhaps the situation would not have been so bad. We will ensure that every school that acquires academy freedom takes an underperforming school under its wing to ensure that all schools improve as a result.

Ms Karen Buck (Westminster North) (Lab): I believe that I am the only Member of Parliament who is the parent of a child at an academy, and I am a great believer in what academies have been able to do, but I want to reinforce the point made by my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg). Precisely because academies have invested resources in the most disadvantaged areas—the school that my child attends is the 16th most deprived in the country—they have been able to exercise a relative improvement. Surely spreading those resources and the advantages of academy status to highly privileged schools will do the reverse of what the Secretary of State intends and widen the gap in educational achievement.

Michael Gove: I take the hon. Lady's point, but she is making the case that only resources drive improvement. Resources are critical, but so is autonomy, and the record of the CTCs shows that it was their autonomy that drove improvement. We Government Members all know that it is the ethos and quality of a school, and in particular the capacity of a head teacher to lead, that make all the difference.

Mr Andy Slaughter (Hammersmith) (Lab): Will the right hon. Gentleman allow me to correct two things that he said? The first relates to Burlington Danes, which has traditionally been a very good school. It got into special measures, and became an academy, but did not improve. It has now improved with a new, second, head. Will he accept that often it is not being an academy that makes the difference, but having a good head teacher and a good ethos in the school?

I come to the second point on which I hope the right hon. Gentleman will allow me to correct him. We have two outstanding schools with a very deprived intake in my constituency. Both have decided not to become

academies. Privately, the schools' governors have said to me that they believe that special educational needs children and non-teaching staff would be discriminated against if the schools became academies, because they have seen that happen in other academies. So will the Secretary of State not be quite so arrogant in pushing academies on every level?

Mr Speaker: Order. From now on, interventions need to get a bit shorter. The debate is very heavily subscribed, and interventions should be brief.

Michael Gove: On the second point made by the hon. Member for Hammersmith (Mr Slaughter), the Bill is permissive. If head teachers do not wish to go down the academy route, that is a matter for them. I trust head teachers, unlike the previous Government who told head teachers what was right for them. We believe in professional autonomy. On the first point, I agree. I agree that the current head teacher at Burlington Danes, Ms Sally Coates, is fantastic; that is why she supports the legislation, and why she appeared with me in public to say that more schools should embrace the academy status that allowed her to do so much for the disadvantaged children whom the hon. Gentleman represents, and who are our first care.

Glenda Jackson (Hampstead and Kilburn) (Lab): Will the Secretary of State give way?

Michael Gove: In just one second, if I may; first I want to make a point that follows on from that made by the hon. Members for Liverpool, West Derby (Stephen Twigg) and for Westminster North (Ms Buck), which was that by extending academy freedoms we do not help the most disadvantaged. That was not the view of Tony Blair in 2005, when he introduced the education White Paper. He made it clear then that he wanted every school to have academy freedoms so that they could drive up standards for all. In that sense, we are merely fulfilling the case that was made in 2005. I am happy to call myself a born-again Blairite, but all I see as I look at the Opposition Benches are groups of Peters denying—I hesitate to say the messiah—the previous Prime Minister three times. Now that the cock has crowed, I am happy to give way to the hon. Member for Hampstead and Kilburn (Glenda Jackson).

Glenda Jackson: I am grateful to the Secretary of State. He called the Bill permissive. What it most markedly does not permit is any kind of consultation with parents, governors, teachers and schools other than the one pursuing academy status. That is the antithesis of localism, which I understood was the bedrock of the Conservative party's proposals.

Michael Gove: I have great respect for the hon. Lady, but the Bill includes specific provision for consultation. Hitherto, academies had to consult only local authorities, but there is provision for wider consultation in the legislation. More than that, because the Bill is permissive, it is for schools and heads to decide whether to make the change. I know that there are a number of schools in the hon. Lady's constituency that are very interested in doing so.

Mr Edward Timpson (Crewe and Nantwich) (Con): When my right hon. Friend was deciding on the ambit of the Bill, did he take note of the recommendation of the Children, Schools and Family Committee, as it was then, in its report on the national curriculum that the freedoms enjoyed by academies should be available to all schools?

Michael Gove: My hon. Friend was a distinguished member of that Committee, and it is precisely because the Committee made such a good case that I have been so influenced by it. The case was also made by my right hon. Friend the Member for Yeovil (Mr Laws), who argued that if academy freedoms were so good, why should all schools not have them? If there is a coalition of the Select Committee, my right hon. Friend the Member for Yeovil and the former Member for Sedgefield, who am I to stand in its way?

Mr Jim Cunningham (Coventry South) (Lab): I think we all accept that the Secretary of State is a humble man, but will he tell us whom he consulted on his proposals and, more importantly, how many schools have applied to make the change under his proposals?

Michael Gove: I consulted head teachers, teachers, and parents, and I also took the trouble to consult the electorate at the general election; the proposal was in our manifesto, and received a great deal of support. Following the general election, I was fortunate enough to find out that the proposal received support from not just my right hon. Friend the Member for Yeovil, but my right hon. Friend the Member for Sheffield, Hallam (Mr Clegg) and my many other hon. Friends on the Liberal Democrat Benches.

Malcolm Wicks (Croydon North) (Lab) *rose—*

Michael Gove: I am happy to give way, but then I must try to make progress.

Malcolm Wicks: Does the Secretary of State feel that there will be any need for locally elected education authorities in the future? If so, what will their roles be?

Michael Gove: I am grateful to the right hon. Gentleman for his question. If I may quote, I believe:

> "The best local authorities already increasingly see their primary role as championing parents and pupils rather than being a direct provider of education. We need to see every local authority moving from provider to commissioner, so that the system acquires a local dynamism responsive to the needs of their communities and open to change and new forms of school provision. This will liberate local authorities from too often feeling the need to defend the status quo, so that instead they become the champions of innovation and diversity, and the partner of local parents in driving continuous improvement."

That was Tony Blair in October 2005—once again, an unimprovable argument.

Ed Balls (Morley and Outwood) (Lab/Co-op): But that speech led directly to the Education and Inspections Act 2006, in which local authorities were given the responsibility for commissioning places. The legislation before us entirely removes the local authority's role in such commissioning, so the idea that the right hon. Gentleman is the heir to Tony Blair is complete and utter tosh.

Michael Gove: I would never claim to be the heir to Blair; I know that the right hon. Gentleman yearns to fill that role. I was one of the many thousands watching

[Michael Gove]

the Labour leadership hustings on "Newsnight", when he said that Tony Blair was the finest Prime Minister the Labour party ever had. I dropped my cocoa in excitement at the right hon. Gentleman's conversion to the cause of Blairism. It is somewhat at variance with what is recorded in Alastair Campbell's diaries, Peter Mandelson's memoirs and various other documents that have thudded on to my desk over the past few weeks, but I am very happy to see him join the conventicle.

Fiona Mactaggart (Slough) (Lab): The right hon. Gentleman quoted the former Prime Minister's words and cited the role of local authorities as champions of parents and pupils. Who will champion the parents of pupils who are excluded from academies?

Michael Gove: The hon. Lady will know that academies are governed by the same admissions rules as all local authority schools. They have to abide by the admissions code and subscribe to fair access protocols, so that those hard-to-place children are placed appropriately. I grant the hon. Lady that some academies, when they have made the journey from failing school to academy status, have experienced an increase in the number of exclusions, but that normally settles down after a short period, as it does in most schools with a good new head teacher who is extending discipline and control. Then we find that once academies have become settled, the number of exclusions falls, and that is certainly the case with city technology colleges. My hon. Friend the Member for Gainsborough (Mr Leigh) wished to make a point, and I am delighted to give way.

Mr Edward Leigh (Gainsborough) (Con): Does the Secretary of State consider the greatest missed opportunity of the previous Conservative Government to be the failure to make all schools grant maintained? Therefore, philosophically, does he believe that such freedoms should gradually spread out so that, in the end, the head teachers of all state schools have the same freedoms as the head teachers of independent schools?

Michael Gove: My hon. Friend makes a very good point, and I want a greater degree of freedom for all head teachers. If we compare our proposals with the '90s and the world of grant-maintained schools, however, one big difference is that we do not envisage schools existing in a parallel universe, but collaborating with other schools. One of the great gains of the past 15 years has been the culture of collaboration that has taken root between head teachers and throughout state schools. It is wholly worth while, I wish to build on it and I make no apology for saying that it happened over the course of the past 15 years, because any fair-minded person would wish to acknowledge it and see it develop.

Ed Balls: When the head teacher of Woodberry Down community primary school in Hackney, an outstanding school in a federation with two other primary schools, approached the Department for Education to ask whether the school might access academy freedoms, the Department said it could do so only if it broke up the federation, because outstanding schools would be able to federate only with other outstanding schools rather than underperforming schools. On what basis will such collaboration help less good schools to become better? Is that not just excellence supporting excellence, or has the right hon. Gentleman had to change that policy?

Michael Gove: No, it is my belief that all outstanding schools should be there to support other schools. I am grateful to the right hon. Gentleman for drawing that issue to my attention. Actually, we have made it clear that groups of schools in which one school is outstanding and the others are not can apply. Woodberry Down may well be a school that we would like to see enjoy academy status and hope will work with other schools, but it may not be among the very first schools to enjoy academy status. If he would like Woodberry Down's application accelerated so that it can become an academy in September, I hope he will join me in the Lobby this evening.

Ed Balls: I have found in the past few weeks that the right hon. Gentleman is never, ever able to answer a straight question in the House. I will try again. An outstanding school was told that it could federate only with other outstanding schools if it wanted academy status. Is that his policy, yes or no?

Michael Gove: It is certainly not our policy, and I am sorry that the headmaster of Woodberry Down has been told that. I shall write to him later or call him, or perhaps he, I and the right hon. Gentleman can have a cup of tea together, to ensure that that excellent school can become an academy by September if it wishes.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I set the right hon. Gentleman straight on one point? Yes, the former Children, Schools and Families Committee did recommend that all schools should have the same curriculum freedoms as academies, but it was never necessary to expand academy status to outstanding schools in order to do that. It was always under the control of central Government and the Department, not local authorities.

Michael Gove: I appreciate the hon. Gentleman's point, but as a believer in freedom I believe not just that schools should have the chance to have greater freedom over the curriculum but that they should have other freedoms as well. I remember the former Member for South Dorset, who is now Lord Knight of Weymouth, making the point in debate here that academies also have freedoms on pay and conditions, and they need those freedoms to generate the improvement that has been such an attractive characteristic of the academies movement. I agree that the Department can disapply the national curriculum when specific schools apply, but I should like to see a wider range of freedoms.

Mr Don Foster (Bath) (LD): May I say how much I welcome many of the freedoms that the Secretary of State proposes, not least freedom for teachers and freeing up the curriculum?

On consultation with local education authorities, the Secretary of State will be aware that in my constituency Oldfield girls school wants to become an academy but the local authority's reorganisation plan to reduce surplus places envisages it as a co-educational school. Can he assure me that he will not approve academy status if the school remains a single-sex school?

Michael Gove: I take my hon. Friend's point, which follows that made by the right hon. Member for Morley and Outwood (Ed Balls). Some 1,800 schools have applied for academy status, and if we were to run through the pros and cons of each my speech would be of interminable length. However, we have discussed that specific school before and I know that my right hon. Friend—sorry, I mean my hon. Friend; that will come later—is seeking in a fair-minded way to see whether that school can become co-educational and enjoy greater autonomy. I am sure we can find a way through.

Richard Graham (Gloucester) (Con): Does my right hon. Friend agree that it is slightly ironic to hear Opposition Members make accusations of inadequate consultation on the Bill, given that the previous Secretary of State simply dispatched to my constituency his henchman Mr Badman, who decided to close one of the comprehensive schools there? The consultation was simply on whether to close it or merge it with another one, and it was stated that the new academy must open in September. Does he agree that this Government are trying to deal with the problems that have resulted from a very crude consultation and a very tight deadline?

Michael Gove: My hon. Friend makes a very good point, and the fact that the electors of Gloucester, even though they had a superb Labour MP last time round, chose to elect him, an even better Conservative one, shows what they thought of how the last Government dealt with education.

Several hon. Members *rose—*

Michael Gove: I must try to make progress, because many Members wish to speak in the debate, so for the moment I shall not take any more interventions.

I stress that although we are following the path set down by successful schools in this country, we are also following the one set down by successful jurisdictions elsewhere in the world. In America, which my right hon. Friend the Prime Minister is due to visit in just a few days' time, President Obama is pressing ahead with school reforms exactly analogous to those with which we are pressing ahead here. He is making reforms to ensure that there are better teachers in every classroom and that more schools enjoy greater autonomy. The charter schools in the USA, such as the Knowledge is Power programme schools, with which I know the right hon. Member for Tottenham (Mr Lammy) is familiar, have done a fantastic job, free from local bureaucratic control, of transforming the life chances of young people. Children who would not have expected to graduate from high school are now going on to elite colleges because of the quality of the education that they enjoy. Charter schools in Boston have succeeded in cutting by half the achievement gap between black and white children.

In Chicago, as Caroline Hoxby and Jonah Rockoff have pointed out, charter schools have achieved even more dramatic gains for children from disadvantaged backgrounds. The striking thing about Hoxby and Rockoff's research is that in Chicago the children are drawn overwhelmingly from poorer homes. Whether one goes to Sweden, Finland, Singapore or Alberta—Alberta is the highest-performing English-speaking jurisdiction in education—education reform is guided by greater devolution to the front line, greater control for professionals and a relentless focus on higher standards.

Bill Esterson (Sefton Central) (Lab): Will the Secretary of State give way?

Michael Gove: Not at this stage.

The Opposition have tabled a reasoned amendment. My problem with it is that it is not reasoned and nor does it amend matters in our schools for the better. It is simply a list of unjustified assertions. It states that the Bill provides the legal framework for new parent-promoted schools. That is not true; that was created in 2002. It states that our proposals for academy status are funded by cuts in the Building Schools for the Future programme. That is not true; they are funded using money that was in the harnessing technology grant, and we are making the Building Schools for the Future programme more efficient.

The Opposition argue that our proposals are based on reforms in other countries with falling standards and rising inequality. That is not true; they are based on reforms in countries such as President Barack Obama's America and in Singapore, Canada and Finland, where standards are rising and equity is greater. The Opposition claim that there are no measures to drive up standards, improve discipline or deliver greater equality. At the beginning of my speech, I pointed out what we are doing about teaching and discipline, and, thanks to the impassioned advocacy of my right hon. Friend the Member for Yeovil and the Minister of State, my hon. Friend the Member for Brent Central, we will shortly introduce proposals for a pupil premium.

Mr Ellwood: On a point of order, Mr Speaker. My right hon. Friend has listed a whole series of aspects of the amendment that show it contains many untruths. Would it be in order for the Opposition to be given the opportunity to walk away, rewrite it and come back with an amendment that might be worthy of the House?

Mr Speaker: First, that is an utterly specious point of order. Secondly, it is a waste of time.

Michael Gove: It is, of course, a point of debate, and I look forward to hearing the shadow Secretary of State shortly.

The reasoned amendment argues that we are not building on the success of the academies programme, but the Bill fulfils it. It makes it easier for failing schools to be placed in the hands of great sponsors to turn them round, for good schools to take faltering schools under their wing and for all children from disadvantaged backgrounds to benefit from academy status.

I refer those who argue that we are failing children with special educational needs to the remarks of Lord Adonis in the upper House when the Bill was making progress there. He said:

"On the contrary, in crucial areas of special educational needs, particularly EBD"—

emotional and behavioural difficulties—

"the dynamic innovation…that academies can bring could lead to significant improvements…in ways that enhance the overall quality of the state education system."—[*Official Report, House of Lords,* 23 June 2010; Vol. 719, c. 1399.]

[Michael Gove]

The expansion of the academies programme will drive that improvement in state education. I know that some Opposition Members say, "Pause, gie canny, slow down, hesitate", but that is the argument of the conservative throughout the ages when confronted with the radicalism that says we need to do better for our children. We cannot afford to wait. We cannot afford Labour's failed approach any more, with teachers directed from the centre, regulations stifling innovation and our country falling behind other nations. We need reform and we need it now. We need the Bill.

Several hon. Members *rose—*

Mr Speaker: Order. I have selected the reasoned amendment in the name of the Leader of the Opposition.

4.9 pm

Ed Balls (Morley and Outwood) (Lab/Co-op): I beg to move,

That this House declines to give a Second Reading to the Academies Bill [*Lords*] because it creates the legal framework for the expensive free market schools reforms which will be funded by scrapping existing school building programmes; its approach is based on reforms in other countries which have seen falling standards and rising inequality; it contains no measures to drive up standards, improve discipline or deliver greater equality in schools; it fails to build on the success of the previous Government's Academies programme and instead focuses additional support and resources on those schools that are already succeeding at the expense of the majority of schools; it deprives schools with the biggest behaviour and special educational needs challenges of local authority support for special needs provision, the funding for which will go to those with the fewest such challenges; it permits selective schools to convert to Academy status, which risks the unplanned expansion of selective education; it removes any proper requirement to consult local authorities or the community before the creation of an Academy and centralises power in the hands of the Secretary of State over the future of thousands of schools without adequate provision for local accountability.

The Secretary of State and I have seen a great deal of each other across the Dispatch Box in recent weeks. I said to him two weeks ago that the cancellation of the Building Schools for the Future programme was a black day for our country's schools. Since then, he has had a torrid fortnight. He has gone from under fire to embattled to beleaguered in only 15 days.

The Secretary of State may think that the recess is in sight, but the backlash that his statement kicked off two weeks ago has only just begun, and the rushed and flawed provisions in the Bill will make things much worse for our schools and our children in the coming months. Having had to apologise twice for his announcement two weeks ago and his rushed and botched decision, even his senior Back Benchers are asking why he is so contemptuously trying to railroad his academies and free schools policy through the House in only four days. The reason is that the right hon. Gentleman, who can never answer a question, is also afraid of scrutiny.

Let me tell the House what is really going on. Today and over the next week, the Opposition will show that the Bill will create unfair and two-tier education in this country. There will be gross unfairness in funding, standards will not rise but fall, and fairness and social cohesion will be undermined. The Bill will mean that funding is diverted to the strongest schools to convert to academy status, and to fund hundreds of new free-market schools, and that the role for the local authority in planning places, allocating capital or guaranteeing fairness or social cohesion is entirely removed. The weakest schools, children from the poorest communities, and children with a special need and those with a disability, will be left to pick up the pieces with old buildings, fewer teachers and larger class sizes. The fact is that the Bill will rip apart the community-based comprehensive education system that we have built in the past 60 years, which has delivered record rising standards in the last decade.

To rush the Bill through in this way is a complete abuse of Parliament. The Secretary of State should be ashamed of himself. We will challenge this coalition—Conservatives and Liberal Democrats—to support our amendment and put a halt to this deeply ideological, free-market experiment before it is all too late.

Mr Graham Stuart (Beverley and Holderness) (Con) *rose—*

Ed Balls: Perhaps the hon. Gentleman could repeat the comments he made on television yesterday.

Mr Stuart: The right hon. Gentleman is seeking to be a leader, but he seeks leadership in the luddite tendency. He has always opposed reform: he opposed it from the Back Benches when he first came into Parliament, and he continues to oppose reform that will raise standards.

To return to the subject of Building Schools for the Future, my right hon. Friend the Secretary of State was absolutely right to intervene. He took a brave decision to intervene on a programme that is wasteful and that does not lead to results in our schools. We will now have a system that prioritises need, not political fixes, and that ensures that the money goes on school buildings—

Mr Speaker: Order. Let me just say to the hon. Gentleman that even though he is the elected Chair of the Select Committee on Education, he must be economical in his interventions.

Ed Balls: The former Chair of the Select Committee on Children, Schools and Families and I did not always see eye to eye, but he always had respect on both sides of the House for his independence. The hon. Member for Beverley and Holderness (Mr Stuart) got some respect yesterday for saying that the Bill was being railroaded through Parliament, but he loses it for that ridiculous, partisan and stooge-like performance. Maybe he should call some witnesses and hear some evidence before he decides to write his Select Committee's report—unless it is being written for him by Conservative Front Benchers. His credibility is very substantially undermined.

Mr Graham Stuart: On a point of order, Mr Speaker. The shadow Secretary of State may be getting excited, but I ask him whether he might withdraw that remark, which brought into question the independence of a Select Committee.

Mr Speaker: Order. Frankly, that is not a point of order, but a point of debate. I have known the hon. Gentleman for a number of years, and I know that he will not want to become an unduly sensitive flower. That would be unwise.

Ed Balls: I have been asked to give evidence to the hon. Gentleman's Committee in a week's time, as has the Secretary of State. My point is that the hon. Gentleman should probably hear the evidence before he jumps to conclusions. That is the proper way to act as a Select Committee Chair, rather than jumping up and making not an intervention but a speech of the most partisan and specious nature.

Let me begin with capital spending. The Liberal Democrats deputy leader, the hon. Member for Bermondsey and Old Southwark (Simon Hughes), put it very well to the BBC when he said:

"It would be a nonsense to take money that could be used for improving existing schools to create new schools where, on the ground, the will of the local community is for the existing schools to continue".

That is precisely what the Bill will do. The fact is that the dismay across the country at the decision to cancel more than 700 promised new schools, disappoint more than 2 million children and parents, and put at risk thousands of construction jobs, has turned to anger at the growing realisation that those schools are being cancelled to pay for the free-market schools policy that is set out in the Bill.

Christopher Pincher (Tamworth) (Con): The right hon. Gentleman said that this measure is a brake on progress. In my constituency, children going into one of the schools—it has an inspirational head teacher—at age 11 have a reading age of 8. After 13 years of Labour Government, what is progressive about that?

Ed Balls: We have 720 schools where children from primary school were looking forward to going into brand-new schools. Their hopes have now been dashed by the Conservatives to pay for their free-market schools policy—[Hon. Members: "Answer the question."] Unlike the Secretary of State, I have the courage to answer the question, and the fact is that in 1997 70% of children reached the required level in English and maths at age 11, and that rose to 80% under the last Government. We improved standards because we invested in schools and teachers. It is the cuts by the Government that will set back the improvement in standards.

Government Members know that the reason the new schools have been cancelled is not to reduce the deficit. It is not because of the nonsensical claims about bureaucracy. Those claims are as flimsy as the Prime Minister's promise to protect the front line. The cuts in the school building programme are to pay for the new free schools policy. We know that, because in opposition the Conservatives said:

"we propose that capital funding for new academies should come through a new fund, established by reallocating the money available within the building schools for the future programme."

To be fair to them, they promised it in opposition and they are delivering it in government, so that 700 schools around the country are now feeling the reality of a Conservative-Liberal Administration, and do not like it very much.

Bill Esterson: The Secretary of State talked at length about various freedoms. One of the freedoms that concerns me is the freedom of schools to exclude children with special educational needs and looked-after children, among other categories of children from disadvantaged backgrounds. Does my right hon. Friend agree that the lack of protection for children from such backgrounds is a worrying aspect of the legislation?

Ed Balls: I visited Sandwell last week, a borough where several schools were told that their new school buildings were going ahead—in version 1 of the Secretary of State's list—but were told in list 2 or 3 that he had made a mistake and all their new buildings were being cancelled. As part of that discussion, I met the head teacher of a special school whose promised new investment has been taken away. We discussed the fact that the new academies policy will take out of the funding agreement the obligation on academies to focus on stopping exclusions of children with special needs. So I have exactly the same concern as my hon. Friend.

The head teachers in Sandwell were pleased that I visited. They were also pleased that the Secretary of State has agreed to visit Sandwell to apologise for his dreadful mistake. However, they think that it is odd that he wants to visit on 5 August. Visiting schools in August is not usually the done thing, as the Secretary of State will find out. I am sure the reason is that his diary is full. Perhaps he should share the load. I know that the Prime Minister is today in Liverpool announcing his big society. Perhaps the Secretary of State should urge the Prime Minister to apologise to the 25 schools in Liverpool and the many thousands of children who have seen their new school taken away from them by the free-market schools policy in this Bill.

Perhaps while the Prime Minister is there, he could also apologise to the leader of the Liberal Democrat group on Liverpool council, who had some interesting things to say about the Secretary of State. Former council leader Councillor Warren Bradley said:

"it would be absolute folly if we were to ignore the impact of such a ridiculous decision by Michael Gove, whether or not we are in coalition. Not only would it show how shallow we are, either in control or opposition, we would be letting this and future generations of young people down."

He goes on:

"It's ridiculous. The plans for BSF were so far advanced and it's unforgivable that other funding options are not in place."

Mr Sam Gyimah (East Surrey) (Con): Will the right hon. Gentleman give way?

Ed Balls: In just a second. I am going to finish reading this quote. The hon. Gentleman might enjoy it.

"I think the national party have got to wake up and listen to the people on the ground that are hearing the complaints from core voters. Being in coalition should be a two-way street. There are times when Clegg has got to say to Cameron, 'No more'. I think BSF is the straw that has broken the camel's back. You do not fill a hole at the expense of the young people of this country."

Wise words indeed, from a Liberal Democrat. I would be happy to take an intervention from the hon. Member for Bermondsey and Old Southwark (Simon Hughes) on this point.

Simon Hughes (Bermondsey and Old Southwark) (LD): The right hon. Gentleman might like to know that, when I spoke to Councillor Bradley, he said that he was very happy to meet the Secretary of State. When I spoke to the Secretary of State, he said that he was

[Simon Hughes]

very happy to meet all our colleagues in all the metropolitan boroughs concerned with the educational plans for the future.

Ed Balls: The hon. Gentleman has obviously done a good job of whipping some colleagues, but it is a pity that he did not speak to the Liberal Democrat Education Association, which has condemned the very Bill that he is being asked to vote for today. We must wait and see whether the hon. Gentleman signs the association's petition—I do not know whether he is thinking about leadership elections to come.

My point is that visits to metropolitan areas and apologies are not enough. That is not what people want. Parents, teachers and children do not want the Secretary of State to say sorry; they want him to change his mind, to throw out this Bill and to let them build the new schools that they were promised. The people I spoke to today also said to me, "Can't you get an answer from the Secretary of State?" I wrote to him two weeks ago to ask whether the money was being diverted away from Building Schools for the Future to fund the proposals in this Bill, but I have had no reply so far. I am going to ask him the question again, because a lot of taxpayers' money rides on the answer. During the weekend before he announced the cancellation of Building Schools for the Future, did he at any point receive written or oral advice from departmental officials or from Partnerships for Schools urging him not to publish a list of schools until after he had consulted local authorities to ensure that his criteria were sound and that his facts were right? I would be very happy to take an intervention from him. Would he like to answer the question? No.

Mr Speaker: Order. We do not have forced interventions.

Ed Balls: After two weeks of waiting for an answer, my expectations were not very high.

Let me try another question. Is it not the case that the Secretary of State was also advised of the risk of legal challenges from private contractors, and did he not personally decide to ignore that advice? He can set the record straight now, or we can keep on asking these questions. People want to know the answers. This is about the cack-handed way in which he did this, and about whether there will be legal challenges from the authorities and contractors who will have been left out of pocket by hundreds of millions of pounds as a result of his decision.

Mr David Anderson (Blaydon) (Lab): Will my right hon. Friend also comment on the potential for challenges from some of the tens of thousands of workers who will be affected by this decision? They do not know whether they are going to be made redundant, or what their terms and conditions will be. Surely there is a legal imperative for them to be consulted properly, but that consultation will take place while most of them are on their summer holidays.

Mr Speaker: Order. The debate is starting to broaden somewhat. I know that the right hon. Gentleman will want to focus his reply in a way that relates to the Bill.

Ed Balls: Thank you, Mr Speaker.

On the subject of the consultation, we had an interesting answer on the question of schools becoming academies. We were told that there would be consultation. The fact is that the Bill that was published a few weeks ago contained no obligation for any consultation at all. It was only as a result of intervention in the other place that a provision was added to say that there should be consultation, but what obligation does that provision place on schools and governing bodies? It says that they need only consult whomever they think appropriate, and that they can consult before they decide to become an academy or after they have done the deed. The idea that that represents consultation is complete and utter nonsense.

Andrew Percy (Brigg and Goole) (Con): Listening to the right hon. Gentleman has certainly taken me back to my previous job as a class 1 teacher. On the issue of consultation, is he honestly suggesting that governing bodies, which are made up of schoolteachers, head teachers, parents and interested people from the community, are going to push ahead without going out and talking to parents and other interested parties? If he is saying that, it is a fairly despicable way to describe governing bodies.

Ed Balls: I am afraid that the reason why the Secretary of State and his Front-Bench team have added in an obligation to consult is, presumably, that they disagree with the hon. Gentleman. If they were going to consult anyway, there would be no need to build the provision into the Bill. It is there because they know some head teachers and chairs of governors would consult nobody at all, which would be undemocratic and unfair. The reality is that under our academies policy—look, let me turn to the details of the Bill. *[Interruption.]* Government Members should note that I am at least talking about the Bill, unlike the Secretary of State who did not talk about it at all, and did not mention any clause, any provision or any of the completely undemocratic ways in which our schools system is being railroaded and undermined.

I turn to deal with the detail of the Bill. This Bill does not build on or expand on our academy scheme at all. It is a total and utter perversion of it. Our academies were in the poorest communities and were turning around underperforming schools. As I exposed earlier, the right hon. Gentleman's policy is about outstanding schools supporting only other outstanding schools—schools that are disproportionately in higher income areas with fewer children with disabilities or special educational needs.

Ms Louise Bagshawe (Corby) (Con) *rose—*

Ed Balls: I will give way in a few moments.

Those schools are not only going to get extra funding, they will take their share of extra funding for special needs, even though they have, disproportionately, fewer children with special needs. It will be other children with special needs in other schools in the area who will lose out as a result of this policy.

Ms Bagshawe *rose—*

Ed Balls: If the hon. Lady would like to defend that policy—*[Interruption.]* She can sit down for a second. *[Interruption.]* I am helping her out. If she can defend this policy, she might even make it to the Front Bench. It would be very good if she could explain it, because the Secretary of State made no attempt to do so.

Ms Bagshawe: I am grateful to the right hon. Gentleman for giving way. What would be his reply to the group of parents in my Corby constituency with children on the autistic spectrum who have written asking for my advice on how to apply for a free school? How would he reply to the National Autistic Society, which has broadly welcomed the Academies Bill, because of how it will raise standards for children with special needs?

Ed Balls: I would say that they should be very fearful indeed. The reality is that we are on a fast track to treat as second class the majority of children with special educational needs, who will find their funding cut and their opportunities reduced by this legislation. They should be very careful.

Pauline Latham (Mid Derbyshire) (Con): Would you say that the shadow Secretary of State is going back 20 years and coming back with the same arguments and fears that the Labour party put out about grant-maintained schools, when there was absolutely nothing wrong with them? They did a very good job for schools, raised standards and raised attainment for many pupils. They did a really good job, but, like then, you are just coming back and trying to bully people into saying that the Bill will not work and should not go ahead.

Mr Speaker: May I gently say that I am not coming back to bully anyone? I have never done that before and I would not do it in future. I know that Members will not want to use the word "you" again.

Ed Balls: The hon. Lady is absolutely right that we have been here before. We have had freedoms and resources given to higher-performing schools in more affluent areas, and we all know what resulted from it. The academies policy that we introduced was the exact opposite of that, but our policy is being undermined.

The reality is that this Bill gives extra resources to higher-performing schools in more affluent areas while at the same time removing any obligation for consultation with parents, local authorities or external sponsors. Indeed, the requirement for a sponsor is removed entirely under this legislation. We have talked about consultation, but the fact is that the only consultation any school need have about how it proceeds and how it teaches its curriculum is with the Secretary of State. The role of the local authority is entirely removed. This is the biggest centralisation in education policy in the post-war period.

Although the Bill makes clear that the academies will be accountable to the Secretary of State, it is interesting to note that the model funding agreement circulated by the Government contains no requirement for teachers to have qualified-teacher status. It also contains no requirement for co-operation in regard to behaviour and exclusion: schools can go their own way and exclude at will. There will be no independent appeals panels for excluded children, which will hit children with special needs disproportionately. There is no requirement for a named member of staff to be responsible for children in care. There is no requirement for careers education. There is no requirement for academies to observe nutritional standards, or to provide sex and relationship education. We will address all those issues in our amendments, and I urge Members to vote for them so that we can put the Bill on to the straight and narrow.

Conor Burns (Bournemouth West) (Con): The shadow Secretary of State talks of people from the poorest communities. While there are clearly differences between those on the two front Benches, it might be generous of him to acknowledge that my right hon. Friend the Secretary of State is motivated by the best of intentions: he wants to give opportunities to those people from poorer communities. Is it not appalling to look back on 13 years of Labour government and see that, in one year, only 45 of 80,000 pupils receiving free school meals made it to Oxford university?

Ed Balls: I do not doubt the good intentions of the Secretary of State when it comes to some schools and some children, but Labour Members are motivated by the need to do the best for all children rather than just some. That is the deep dividing line between the two sides of the House, and it brings me to what the Bill is really all about.

Several hon. Members *rose—*

Ed Balls: I will not give way for the moment.

The Secretary of State wants us to believe that the Bill is about changing existing schools into academies, but Lord Hill, writing to colleagues in the other place, confirmed that it was being used as enabling legislation for the free-market schools policy. The reason why local authorities must be cleared out of the way is to enable additional school places to be created in a completely free-market way, with only the check of the Secretary of State and no role whatever for the local authority. As we have made clear in the House before, substantial questions about that policy are being completely ignored. The Secretary of State has ignored them so far today, and we have been given a very limited amount of time in which to scrutinise them in a Committee of the whole House.

First, it is clear that there is no new money to cover the capital or current costs of free schools. The creation of additional places will be funded by cuts in budgets and the removal of teachers from existing schools. I was asked about the impact of the new free schools. Having examined the case for a new parent-promoted school in Kirklees, Professor David Woods said that it would

"have a negative impact on other schools in the area in the form of surplus places and an adverse effect on revenue and capital budgets".

The fact is that the cost of the new free schools will be covered by cuts in existing schools. We have seen what has happened to the Building Schools for the Future programme. That is why we will table amendments to stop Building Schools for the Future money being siphoned off to pay for new free-market schools against the wishes of local communities—and given that that is exactly the policy of the hon. Member for Bermondsey and Old Southwark (Simon Hughes), I hope that he will join us in the Lobby to vote for it.

Mr Leigh: If the right hon. Gentleman's point is that the policy is divisive, would he welcome a move to give all schools academy status?

Ed Balls: I was happy with the expansion of academies under our system, which involved agreement with local authorities. As we know from what has happened in Sweden, the removal of local authorities and the granting of a complete free-for-all is likely to be deeply divisive, both socially and in a wider sense. I believe that it will lead to huge unfairness and a complete lack of social cohesion. Individual groups of parents will go it alone for a range of reasons, and there will be absolutely no check on the system, because, apart from a back-stop reserve power for the Secretary of State, nobody has any obligation at all to ask why that is being done and what the impact will be on other schools. That represents an unbelievable centralisation of education policy.

The Secretary of State has proved that he cannot even announce a list, so the idea that he will be able to police social cohesion in 3,500 secondary schools is a complete and utter joke.

Mr Slaughter: Does my right hon. Friend think that it is a coincidence that the week after the cancellation of the capital funding under Building Schools for the Future for all schools for secondary-age children in my constituency, including three special schools, a private company put around a flyer to parents in Shepherd's Bush saying that it will soon be opening a new primary school in their area? There is no new primary school; there is only the idea of attracting children from existing schools and then applying to the Government for the money that goes to those schools in order to set up a new free school.

Ed Balls: Exactly, and that is why my hon. Friend and I both fear that this will turn out to be a deeply divisive reform which will lead to a two-tier education system. Indeed, the clauses in the Bill are structured in such a way as to allow the Secretary of State to give funding arrangements to private companies taking over the running of schools—and we should have the opportunity to scrutinise such aspects of the Bill. We will see exactly what they saw in Sweden: private companies travelling around the country touting to parents by saying, "If you want to set up a school, we'll do it for you—and we'll make a profit out of it." I think that will be deeply, deeply divisive.

Mrs Eleanor Laing (Epping Forest) (Con): Is the right hon. Gentleman really saying that he and his party believe that it is not parents who know best how their children should be educated, but local authorities and people in Whitehall, because that is what he has just said in reply to the hon. Member for Hammersmith (Mr Slaughter)? Will the right hon. Gentleman acknowledge that parents should be the people who have the greatest say in their children's education?

Ed Balls: There is no obligation on the governing body even to consult parents in deciding to opt for the new academy status. Of course the voice of parents is important, as are the choices for parents. What I am worried about—and we will table an amendment to prevent this—is profit-making companies taking over the entire management of schools and touting themselves for business. That amounts to completely ripping up the last 60 years of free state education. Secondly, on this point, if a group of parents wants to go it alone, there must be somebody whose job it is to say, "Will this contribute to, or undermine, social cohesion?" *[Interruption.]* Well, in that case, if parents know best, I predict this will lead to a huge rise in social division, not social cohesion, and I am very concerned about that.

Chris Leslie (Nottingham East) (Lab/Co-op): My right hon. Friend has hit the nail on the head. The reason why the Secretary of State is trying to sweep away any local democratic accountability for education—a move that, incidentally, is deplored by many Conservative leaders of local authorities—is precisely that he needs to get local government out of the way in order, perhaps, to introduce these quasi-private, free-market school arrangements.

Ed Balls: Exactly, and that is why I am fearful. The money is not there and there is no evidence that the Government's proposals will contribute to raising standards. My fear is that we will see, as Sweden did, a rise in social segregation, with children in high-income areas doing better and children in lower-income areas doing worse. That would be deeply socially divisive, and that is not the only social division we may see as a result.

Dr John Pugh (Southport) (LD): If Members really believe that parents know best, is it not our duty to include the need for a parent vote as a precondition of any move to academy status and thereby give parents the choice as well, as happened under the old grant-maintained legislation?

Ed Balls: That is a very interesting suggestion, and if an amendment to that effect is tabled, we will look at it. I am all in favour of parent power. What the Secretary of State is doing, however, is cutting parents out of the equation entirely; he is leaving it entirely to the head teacher, the chair of governors and himself. There is no parent voice at all in this Bill. That is why I am very fearful, and that is why I believe that this Bill is the biggest threat to our comprehensive state education system in the post-war period.

We will table amendments to ensure that local authorities maintain their role in education as guarantors of fairness and of the public interest—as set out in the very Education and Inspections Act 2006 that the Secretary of State likes to quote from.

Ian Mearns (Gateshead) (Lab): On 5 July, I asked the Secretary of State where his much-touted expressions of interest had come from—chairs of governors, head teachers or full governing bodies. The answer I received was that that information is not included in the form that is sent out to schools. In other words, these expressions of interest could have come from the caretaker's cat. We do not know exactly who they have come from in order to arrive at the figure of the 1,800 schools that, apparently, have expressed an interest in academy status.

Ed Balls: I am afraid that I can give no guidance or enlightenment to my hon. Friend on that. We read in *The Times* this morning that only 50 schools will be going for academy status, rather than the thousands we

were told about a few weeks ago. If my hon. Friend is thinking of putting down a question to the Secretary of State, he should not hold his breath. In my experience, answers are not very forthcoming.

It is clear that, whether we are talking about funding, fairness, standards, accountability, the role of local authorities, social cohesion, the role of free schools, existing schools becoming academies or the incentives for collaboration, there are massive questions, none of which were addressed—as always—in the Secretary of State's speech, but which must now be scrutinised in Committee in just two or three days on the Floor of the House. It would not surprise me at all if we end up with statements on Wednesday, Thursday and the following Monday in order further to constrict that time.

I have to say to the hon. Member for Southport (Dr Pugh) that I cannot believe that the Liberal Democrats are allowing themselves to be led through the Lobby to support this Bill. They face a very important choice. Interestingly, the Secretary of State's deputy, the hon. Member for Brent Central (Sarah Teather), is not availing herself of the opportunity to sum up this Bill tonight. She is leaving it to the hon. Member for Bognor Regis and Littlehampton (Mr Gibb), presumably because, having described this policy as a complete shambles, she does not fancy having to defend it on the Floor of the House. The right hon. Member for Yeovil (Mr Laws) described this policy as "dotty", and in their own manifesto the Liberal Democrats said:

"we will ensure a level playing field for admissions and funding and replace Academies with our own model of 'Sponsor-Managed Schools'. These schools will be commissioned by and accountable to local authorities and not Whitehall".

So their manifesto actually said—

Chris Leslie: I am grateful to my right hon. Friend for giving way. I am quite sure I just heard the Minister of State, the hon. Member for Brent Central (Sarah Teather) explain from a sedentary position to her hon. Friend the Member for Bognor Regis and Littlehampton (Mr Gibb) that she did not say that this was a shameless policy. Is my right hon. Friend prepared to give way to the hon. Lady if she wants to clarify her position on this point?

Ed Balls: I will put the hon. Lady out of her misery—I will just quote what she said:

"unless you give local authorities that power to plan and unless you actually make sure that there is money available...it's just a gimmick".

That is exactly what we have before us—just a gimmick, the very gimmick that she warned of. The right hon. Member for Yeovil said,

"strategic oversight of all state funded schools should be returned to Local Government."

That is precisely the opposite of what this Bill does.

As for Building Schools for the Future, the deputy to the Secretary of State, the hon. Member for Brent Central, clearly wishes the world to know that she is very upset with the Secretary of State's policy. Although she is not quite prepared to do that on the record, she arranged for friends to tell the newspapers that she is "privately seething". The giants of the Liberal party will count her among their number for her bravery. The hon. Lady has a choice. She cannot sit on the fence any longer. Either she votes for the coalition or she stands up for the schools of Brent—that is her choice tonight.

Is not the truth about this whole business that during the past few weeks, the Secretary of State's credibility has been completely shot to pieces? Even his own Back Benchers are now questioning his decision to rush this legislation on to the statute book and to cancel hundreds of new schools. The right hon. Gentleman is on a slippery slope. The Tory party's shining intellectual, its greatest hope, has in the last fortnight been completely found out.

Charlotte Leslie (Bristol North West) (Con): Will the right hon. Gentleman give way?

Ed Balls: No, I will not.

The eloquence that brought such prizes as a journalist has been reduced to a shambles, and this morning allegations were made of a giant BBC conspiracy. The Secretary of State should not be attacking the BBC; he should be listening to the anger of the thousands of parents, teachers and pupils around the country who have lost their chance of a new school. The fact is that when faced with the tough job of actually running a Department, he has in the past fortnight been totally exposed. When forced to make decisions, he is just not up to the job. He can make fancy speeches, but he cannot make policy. He can write good jokes, but he has exposed himself in the past fortnight as having terrible judgment.

The battle lines are now drawn for this Bill, which is the biggest threat to state education in 60 years. This is not just a question of policy; it is a question of values. Labour Members believe that every school should be able to succeed, not just some; we believe that every parent should have a chance of a good school, not just some; and we believe that every child matters, not just every other child. That is the shared moral purpose that drives those on the Labour Benches and it is why we will be voting for our reasoned amendment this evening. That is why the Liberal Democrats should join us in the Lobby. We should vote against this deeply divisive shambles of a Bill.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Before I call the next speaker, may I remind everybody that Mr Speaker has set a 10-minute limit on all speeches? I call Mr Graham Stuart.

4.46 pm

Mr Graham Stuart (Beverley and Holderness) (Con): I would like to be able to say that it is a pleasure to follow the shadow Secretary of State, but that contribution was a bid for the leadership of not only the luddite tendency, but the mean-spirited tendency. I would have thought that, whatever their views about the policies that this Bill represents, anyone in this House would recognise that everyone in this House seeks the best for all our children. To suggest that the Secretary of State would not do so is low, even for the shadow Secretary of State.

Cuts in public spending and posts were made inevitable by the disastrous financial stewardship of the Labour party, which took a golden legacy and then blew it. Labour made promises on school buildings, on teacher training and on so many other areas that, it turned out,

[Mr Graham Stuart]

it simply could not fund. It now lies with the coalition Government to clean up the mess that the shadow Secretary of State played such a major part in creating.

So the new Government have to find ways to improve public services and enhance, rather than reduce, the life chances of our children without spending additional money. The two coalition partners are united in believing that one of the best ways of doing that is by giving greater autonomy to local communities and those on the front line of public services. This Bill will take academy freedoms and make them potentially available to all schools for the first time; primary and special schools, as well as secondary schools, will be able to become independent state schools, free at the point of use, but with control over their curriculum, their teaching hours—at least, in theory—and their special educational needs provision and the like.

That is a good thing and it is why I support this Bill, despite the fact that, generally speaking, I am a structural change sceptic. Reorganisations are too frequent, too expensive and too convenient for politicians who wish to make their mark. This policy, like all education policies, should be measured by whether it will result in better teachers, better led. The key determinant of a good education is the quality of the teaching work force. I hope that this Bill, the expansion of Teach First and the introduction of a pupil premium for children from lower-income families will, along with other measures, improve the quality, motivation and retention of high-calibre people in education. If it does that, it will have succeeded.

The Bill builds on the previous Government's academies programme, which itself grew from Lord Baker's innovations back in the 1980s. It takes those programmes forward and is not, therefore, radically new. The changes that this Bill will bring about are not minor, however. They may not be radically new in concept, but they are potentially radical in effect. If hundreds of schools leave local authority control each year—starting in September—the implications for our education system overall will be profound. The powers in the Bill are essentially permissive, as Ministers emphasise. That does mean, though, that different local authorities will be affected in different ways.

Countries behind the former iron curtain that moved from centrally controlled economies to free-market systems did not always find the transition easy or pleasant. When the centre collapses, some services and skills are scattered and even destroyed and they take time to grow again. Even when crying freedom, it is best to think deeply, consider carefully and do everything possible to minimise the potential downsides of change.

Annette Brooke (Mid Dorset and North Poole) (LD): Does the hon. Gentleman agree that despite the welcome amendments in the other place, there is great uncertainty about the provision of special educational needs education, particularly for children with complex needs, with funding split between the academies and the local authorities? I am concerned that we might end up with the worst of all worlds for some of our most vulnerable and needy children.

Mr Stuart: I am grateful to the hon. Lady for her intervention and I share some of those concerns. I hope that, in this coming week, those on the Government Front Bench will be able to allay those concerns. Last week I visited an academy, called the Ashcroft technology academy. It has a centre it calls the ARC, which specialises in looking after children on the autistic spectrum, and an AWA—an academy within an academy—for children otherwise at risk of exclusion. By using those innovations, the academy has done a tremendous job of looking after those with special educational needs as well as intervening to ensure that there is not a higher than average number of exclusions from the school. Academies can be part of the answer and the innovation that they allow can improve the situation in the average school today.

Andrew Percy: I thank my next-door neighbour but one for giving way. On that point, does he agree that academies must not be allowed to use exclusions as a way of driving up standards? Does he also agree that what we heard from the shadow Secretary of State failed to recognise that the people in academies are teachers—professionals, and people in a caring profession who went into it for the right reasons? They care about children, and they are the same as teachers in any other state school.

Mr Stuart: I am grateful to my hon. Friend for his intervention and the last thing I would want to do is to disrespect those in the teaching profession. On the other hand, however, in any change in Government, it is enormously important to examine the incentives created for those on the front line. If those incentives incentivise the wrong behaviour, we can expect more of that behaviour.

It is true that academies have twice the rate of permanent exclusions of the average school. A question for those on the Front Bench to answer—perhaps the Schools Minister will do that when he winds up—concerns what steps can be taken to ensure that that rate of exclusions does not continue. What if that rate accelerates under the incentives for the schools in the academy system that have been made free? What powers will remain with the Secretary of State and with local authorities to ensure that that does not happen? We need to understand the incentives in the system. Not every teacher will be the best teacher and not every head will always be driven by the highest possible motives. It is necessary to build a system that is robust, even when it is staffed by people who are not of the highest possible calibre.

Such issues are why I am concerned by the speed at which the legislation is going through Parliament. It would be a great shame if something so potentially beneficial were damaged or discredited by over-hasty execution. The Bill delivers a Conservative manifesto commitment on a policy that has been clear for years, but none the less parliamentary scrutiny is necessary and beneficial for any policy. It should not be rushed and when it is, as the last Administration found, the errors usually rebound on the Government who put it through. I ask Ministers to think carefully about implementation this September—whether we are talking about hundreds or, perhaps, as few as 50 schools. Is it worth the candle to put the Bill through so swiftly? I shall leave Ministers to think about that.

I felt that the Secretary of State was quite right to move swiftly to halt the scandalous waste involved in the Building Schools for the Future programme,

notwithstanding the fact that my Committee will take evidence from both the shadow Secretary of State and the Secretary of State next week. I am clear in my opinion on this subject, although I shall of course listen to the evidence and weigh it carefully along with my Committee colleagues.

The embarrassments caused were of the programme's making, not the Secretary of State's. His swift action took courage and will result in more building improvements to more schools in more need. Every day of delay cost money and cheated children and he did the right thing. I am not so sure about the speed of this measure, however, and that is why I ask him to reflect on that, but I am absolutely sure that history will judge his move on Building Schools for the Future as both brave and right.

Ed Balls: Is the Chair of the Select Committee fully confident in saying that the Secretary of State has acted properly? Is he fully confident that the Secretary of State has in no way ignored advice and acted in a disorderly manner, therefore opening the way for potential legal challenges regarding the way in which he has treated local authorities and private companies? Is the hon. Gentleman sure that it is wise to reach his conclusion before he has heard the evidence?

Mr Stuart: I thank the shadow Secretary of State for that intervention. Obviously, we will be taking evidence next week not only from him but from the head of Partnerships for Schools and from the Secretary of State, so we will get more detail. In principle, I am absolutely clear that the Secretary of State did the right thing. The shadow Secretary of State could show a little more humility in the House given the mess that was left by Building Schools for the Future. He mentions the 700 schools, but he never mentions the dozens of schools that, on his schedule, should have been built by the time he left power, but were not.

Ed Balls: Will the hon. Gentleman give way?

Mr Stuart: I do not have time. I must press on, because I will not get any extra time if I do.

Glenda Jackson: Will the hon. Gentleman give way?

Mr Stuart: I have no time; it is strictly limited.

If the Bill is to be on the statute book in a week's time, the House will have to improve its normal powers of scrutiny and the effectiveness with which it improves Bills, and the Government will likewise have to show that they are listening as well as leading. Communities and parents need to feel that academy freedoms are something that they choose and not something that can be imposed on them. The Government's concession in clause 5 at least makes governing bodies consult those whom they deem appropriate, but it is blunted by the fact that they do not have to do so prior to applying to the Secretary of State and because they can do so even after they have been issued with an academy order. Those consulted in such circumstances would have good grounds for feeling that they were participating in a charade. I ask those on the Government Front Bench to consider that.

That clumsy approach risks building opposition to academies and could be a gift to the luddite tendency within the teaching unions, whose members are gathered outside as we speak, and resurgent on the Opposition Benches. Building confidence in the Government's approach requires sure-footedness and careful consideration of everything they do. I ask the Government to reconsider the measures on the timing of consultation. I fear that they have been drafted in that way not because Ministers think it right in principle but because schools that seek to gain academy status this September would otherwise not be able to do so.

Let me conclude by posing a few more questions to those on the Front Bench. Lord Hill said that the Bill would lead to "greater partnerships between schools." Will that be a requirement or an expectation? It is important to reassure the House that we will not see schools closing in and only looking after themselves, and we would like to know precisely how the proposal will be implemented. Lord Hill also talked about "fair and open admissions". What plans do the Government have for the admissions code and the adjudicator? Have Front Benchers considered the impact of the changes on rural areas and the provision of transport in such areas? I should be interested to hear from them on that.

I have already touched on special educational needs; how will the parents of children with SEN make sure that their voices are heard? I have talked about good examples in academies, but it could be that other schools do not think about that issue sufficiently. I should particularly like to hear from Ministers regarding children with SEN who may be suffering from permanent exclusion. What monitoring will there be and who will have access to it? I support the Bill and I hope that the Government will give further consideration to the points I have made.

4.59 pm

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I suppose that one could describe this as the education, education, education moment for the new Government. They have not called it that, but this is their flagship piece of legislation. The dramatic difference is that in 1997 the new Labour Administration went straight for a policy that would help the most underprivileged children in our society. The academy programme that emerged later was targeted at the children in most need, at the poorest towns and cities and at schools that were underperforming badly.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): Does my hon. Friend agree that the proof of the pudding is in the eating? In Hackney, six new city academies have been built or are being built, and 84% of pupils have gained five A to Cs in the one that has so far had results. Surely, that proves that the previous Government's policy was a good one.

Mr Sheerman: I am trying to be even-handed, but I take my hon. Friend's point. Over 13 years, the Labour Government built more new schools and more new colleges and renewed more educational facilities than any Government in the history of our country. That building programme is indisputable, whatever one thinks about BSF and whether if Labour had been returned,

[Mr Sheerman]

we would have had to tamp it down or ease it in over a much longer period. However, we can discuss that at another time.

The difference between what we did in 1997 and what is proposed in the Bill did not come out in the speech made by the Secretary of State. Why go for outstanding schools? What is the magic of the outstanding school? The right hon. Gentleman referred to the work of the Children, Schools and Families Committee, saying that we wanted to free things up. Yes, we produced three strong reports that recommended giving schools more control over the curriculum, taking away some of the testing and assessment and reducing the six levels of school accountability. We said all those things, but we did so in the spirit of their being particularly important for all schools, not just the outstanding ones.

I believe that the new Administration, like the previous one, want to do the best for every child in our country. We only have one chance for education and both sides of the House—all three parties—want at heart to identify the talent and potential of our children and push them as far as they can go. It is important that we start from that basis, because when we look, as I have done, having spent nearly 10 years as Chair of the Select Committee, over the past 20 or 30 years—a period that the Committee used to call "From Baker to Balls" or "From Butler to Balls"—we can see that there are many more continuities in education policy than we might think if we heard only rousing speeches from Front-Bench speakers on either side.

There is a great danger in the Bill. Every Government need to be able to deliver their policies, and I have never known a policy be delivered by a demoralised work force. One of the secrets of our success over the last 13 years was that gradually, with difficulty, we got the teachers on side, partly by paying them better than ever before, rewarding them and respecting them more. That was the secret of our success and I hope the new Government will continue it.

Another tremendous partnership is needed to deliver policy—with the people who work in local government. It is easy to say that they have only back-office functions or unnecessary core functions, and that somebody else could do things better. Over the years, I have visited schools and local authorities around the country and I found that the one thing most school leaders and most people in schools want is a good, supportive local authority that knows the system, supports schools, knows what the difficulties are and tries to do everything it can to make the education system a success across the piece. I am worried that the Bill will be atomising—there will be a direct relationship between a big central Department and schools, with no intermediary. The people who were the intermediaries—local government—have high skills and it would be sad if the Government wasted them.

Charlotte Leslie: The hon. Gentleman has put in a lot of work on education and has great expertise. On the point about demoralising the work force, in my work on education, where I may have more expertise, I have seen great demoralisation of head teachers and deputy heads because of the amount of bureaucracy they feel they have to do. The head teacher of Avonmouth primary school, where I am a governor, says that the burden of bureaucracy has become unbearable. Dealing with bureaucracy may be one of the main incentives for people to seek academy freedoms. Some of the work force have been demoralised by excessive bureaucracy and they may seek to alleviate it.

Mr Sheerman: I am afraid that I must disagree with the hon. Lady. I go into many schools, and one head will say, "I can't do my job; I can't cope; I can't do anything, because of the amount of bureaucracy, red tape and all that," yet in an almost exactly similar school, with a good leadership, the head will say, "Bureaucracy, red tape. We skip over that. We run the school for the children. And that all comes later, and we deal with it." I am always suspicious, because I guarantee that the House will spend time over the next years introducing all sort of things—health and safety, child protection and child safety measures, and so on—and that we will end up with more bureaucracy in schools. We will gladly do both things at the same time.

Dr Pugh: Will the hon. Gentleman give way?

Mr Sheerman: May I continue for the moment?

I worry about the speed at which the Bill is being considered and the fact that the debates in Committee will be constrained to three days. That makes the Bill look like a bit of panicky measure. A couple of interventions rather upset me. An hon. Gentleman—an old friend of mine—asked whether the policy was similar to that on grant-maintained status, as did another Back Bencher. I hope that the policy is not a reversion to that. If that is all that it is—a return to the old grant-maintained situation—I really believe that it is a backward step.

Let us put all this into perspective. Sometimes, even among colleagues in the Tea Room, I ask, "How many secondary schools do you think there are in England?" and they often get it wildly wrong. There are 3,500, and there are about 20,000 primary schools. Many people do not know that. How many academies did we aim for? Two hundred, rising to 400—between 5% and 6% of secondary schools have academy status. It was a pilot, which makes me wonder why it caused so much passion, even among Labour Members. Indeed, the shadow Secretary of State was very passionately against academies at one stage in his career, early in the days when I was Chairman of the Select Committee. Academies were an interesting and successful pilot. They have not been given enough time. On the freedoms that we gave academies, yes, schools should be able to have that status on licence if they meet the standard.

I want to pursue another point. I, too, believe that the most worrying part of the Bill is the bit about free schools. I can understand the argument for academies, and I know why the Government are doing this—I can understand all that—but the question of free schools worries me indeed, not because of the suggestion that, somehow, the private sector will insidiously come in and run our schools. The Labour Government used the private sector all the time in education. Of course, we have to do so, and it is a healthy relationship: the private sector is a very good partner. It delivers all sorts of things. We called it into a number of local authorities to sort things out when they failed. So let us view the private sector as part of the solution and the answer, rather than thinking that it will come in through the back door.

I am worried about a different feature of free schools. When Tony Blair was very keen on faith schools, those of us who looked at them were concerned about the way in which they were delivered too easily to people who just said, "I want a faith school," because they happened to have a certain brand of religion or to be a certain kind of Muslim or Christian. Without great care, that way leads to a deal of disunity and the break-up of social cohesion in our towns and cities. I would hate free schools to lead to that break-up. Baroness Sharp put it very well in the other place when she said that every area has a community of schools and that, if the legislation breaks up that community, we will put ourselves in great danger of harming the unity of our communities.

Consultation with schools, pupils and parents is very important, but it is still very weak under the Bill. The more I look at the Bill, the more concerned I am. We take so much notice of the governors of a school at one moment in time, but the school will go on for another 50 or 100 years. The school that I went to is, I think, still going after 500 years. The fact is that asking the question of one small set of school governors today will bind in a whole community, and the school at the centre of the community. The community should have something to say about the future of education in that community.

All the work that I have done in education has led me to believe that we have to give schools a decent chance of teaching a representative bunch of kids from the community—not all the poorest, not all the richest, but a good blend. Sometimes one has to be brave in how one selects; sometimes one has to be very brave. People should read the Sutton Trust report on how to handle school admissions. The Committee that I chaired did some very good work on admissions, and the schools admissions scene has been transformed in the direction that we recommended. There will always be schools that are better than others, and envy about not being able to get into those better schools. The Sutton Trust is right: the only way to sort that out is to have a fair system of banding, and when there is high demand for school places, there should be admission by ballot.

5.11 pm

Mr Graham Brady (Altrincham and Sale West) (Con): It is a pleasure to follow the hon. Member for Huddersfield (Mr Sheerman), the former Select Committee Chairman, who rightly gave full credit to Members on both sides of the House for our commitment to furthering the interests of all children and ensuring the best in education. He raised concerns about the free schools policy, of which I am a strong advocate. I join my right hon. Friend the Secretary of State in having visited a KIPP—knowledge is power programme—academy in a very deprived neighbourhood in Washington DC, where I saw tremendous educational outcomes. It was one of the most exciting schools that I have ever visited. I want that kind of provision and flexibility opened up in this country, so that people have access to decent state schools, particularly people in communities that are too often deprived of any such schools. That is one of the most exciting parts of the Bill.

I am delighted to support the widening of the academies programme. Again, I have form on that issue, on which I am entirely consistent. Perhaps it is a great vice of mine, in politics, to be consistent. The former Secretary of State criticised the involvement of the private sector, but he, as the former Select Committee Chairman pointed out, presided over the involvement of the private sector in school provision and in local education authority provision. I am entirely relaxed about the involvement of the private sector, where it is appropriate.

More fundamentally than that, I have always taken the view that good, well-led schools benefit most if they have the maximum freedom and liberty to flourish, without excessive bureaucratic intervention. One of the main reasons why I take that view is that I represent a constituency that has possibly the best state schools in the country, and nearly all the secondary schools were grant-maintained prior to the School Standards and Framework Act 1998. I sat on the Committee that considered that Bill, and strongly opposed the Government's efforts to remove grant-maintained status.

There was a bit of banter earlier about the qualities of grant-maintained schools. My experience locally was that they very much worked together. They took great pride in co-operating and built exactly the community of schooling and education to which Members on both sides of the House referred, but they did so because they wanted to, and because they saw that as part of what would bring greater success to their school, and better educational outcomes for the whole community. I have always supported that. Now I find that the enthusiasm in my constituency, in secondary schools in particular, for the possibility of academy status is precisely because so many of them have a positive experience of grant-maintained status and would very much like to see returned at least the freedoms that they enjoyed under it.

Having sat through the proceedings of the School Standards and Framework Bill and served on its Standing Committee and those of other education Bills in previous Parliaments, I was pleased when the previous Government eventually saw the error of their ways. Having removed some freedoms from grant-maintained schools and moved on to foundation schools, which were more restrictive, they wanted to build on the academies model precisely because they started to understand that greater freedom, fewer restrictions and less bureaucracy for those schools would be the way for them to continue to raise standards.

The notion that one can create independent state-funded schools is very radical, and my right hon. Friend the Secretary of State rightly chided the Opposition for being conservative in their response to the Bill. We are being radical: we are pushing forward measures that will not only free schools to become more successful, but start to break down the barriers—some have referred to it as apartheid in the education system—between the state and independent sectors. I would certainly welcome more independent schools choosing to enter the state sector as academies.

Glenda Jackson: Is it really a radical policy? Surely the Government are proposing to take us back to the bad old days of grammar schools and secondary schools. That will be the next step, because the new academies will have their own admissions policies, and they will enforce them through an entrance examination. Do we really want to go back to that?

Mr Brady: If only the hon. Lady were right. I am sure she knows that I would very much like to go back to exactly that system, because we have it in my constituency.

[Mr Brady]

and that, I suspect, is why the schools in Trafford are better than those in her constituency. However, that is probably a debate for another day.

Today, we have the questions of consistency and of real belief in what was proposed by the previous Government and is now proposed by this Government. I was the shadow Schools Minister at the time of the legislation that became the Education Act 2002, and at that point I was pleased that we, the then Opposition, looked at the Government's proposals in an entirely open-minded way, saw the benefits of the academies model being offered and welcomed it. In our critique and scrutiny of the then Government, we urged them to go further, to have the courage of their convictions and to ensure that more schools could benefit from the freedoms on offer. In that regard, the removal of the requirement for a sponsor is an important step forward.

Dr Pugh: The hon. Gentleman is making an interesting contribution, but he used the expression "educational apartheid". Under his analysis, and the legislation before us, there will still be an educational apartheid: there will be schools with freedoms, and schools with lesser freedoms or no freedom at all.

Mr Brady: I should like more and more schools to attain the outstanding status that will allow them to move more rapidly on to academy status, but a policy of greater freedom for schools that can exercise it well, in the interests of their pupils, is clearly beneficial.

At the time of the 2002 Act, we urged the Government to go further, to accelerate their programme and to have the courage of their convictions. As I look at the reasoned amendment, I really wish that the current Opposition had taken a similarly generous approach and been prepared to accept not only that there is enormous common ground in the proposals before us, but that we had reached the point at which the previous Labour Government and the Conservative party had recognised the real value in giving greater freedom and flexibility to schools and more autonomy to good head teachers.

The previous Government were moving forward slowly but we want to move forward more quickly, and I really wish they would join us in that. Instead, in the discussions relating to the Bill, including by the shadow Secretary of State today, the Labour party has moved towards seeing the whole purpose of the academies programme that it pursued as being about funding. It sees the importance of academies as being the insertion of a sponsor, an outside partner, preferably investing a very large sum in sponsorship to help fund the school. Fundamentally, however, we see the central point of academies as being the freedom that they provide. We understand the importance of allowing good heads, governing bodies and teachers to get on with their jobs and teach.

I started by advising Members to be entirely consistent and I will finish entirely consistently. Having spent the Committee and Report stages of what became the 2002 Act criticising the previous Government for being too timid in their approach to academies and to giving good schools more freedom, I encourage my right hon. Friend the Secretary of State to demonstrate with vigour the courage of our convictions and see this as just the beginning of what should be a truly radical, powerful revolution that will lead to much better state education in this country.

5.21 pm

Pat Glass (North West Durham) (Lab): Coming from my background, having worked for 25 years in education and particularly in special educational needs, I am used to making decisions about children and young people based upon what works for them and what is in their best interests, not upon ideology or my own philosophical beliefs. I am therefore concerned about the speed with which the Bill is being rushed through the House and the impact that that will have on children with special educational needs. I ask the Secretary of State, although he has left the Chamber, to think carefully about that matter.

Having examined the Bill in some detail, I do not believe that there has been any detailed analysis of its impact on vulnerable children, particularly those with special educational needs. I am particularly concerned about two things, based on what we know about the small number of academies that currently exist. First, we know that that group of children has not had a good deal in admissions, accountability and exclusion. I am concerned that if we increase the number of academies massively without considering in detail the impact that it will have on that vulnerable group of children, we will simply make the problem much greater.

We know that the educational achievement of vulnerable children—those with SEN, those living in care and those living in poverty—is lower than the average in the school population. Local authority managers of services such as admissions at least try to ensure that those children are not systematically disadvantaged when it comes to admission to good schools. By taking admissions out of the hands of local authorities and handing them over to academies to administer on their own behalf, we run the risk of taking any pretence of fairness out of the system and systematically disadvantaging the already disadvantaged.

Currently, local authorities have no power to name an academy on a statement of special educational needs, even when a parent particularly wants it and the local authority that has assessed the needs of the child in question believes that the academy can meet that child's needs. I have come across that a number of times as an assistant director, when I have looked carefully at a child's assessment and believed that an academy can meet their needs, and when the parent particularly wants their child to go to that academy, but the academy simply refuses to consider the point.

Bill Esterson: Does my hon. Friend agree that another problem with the Bill is that the framework does not require academies to have special educational needs co-ordinators who are qualified, with appropriate training? That is another weakness of the SEN provisions.

Pat Glass: My hon. Friend is right. When will we realise that children with special educational needs need specialists? That is why they are special—they require specialists. It is foolish to say that anyone in a school whom the head teacher chooses to act as an unqualified support assistant can take the part of an SEN co-ordinator.

Currently, cases where an academy decides that it does not want to take a child or cannot meet the child's needs go to an adjudicator. That takes valuable time and seems designed to put off all but the most determined parents. Parents of children with SEN already have difficult lives and we seem to be putting up additional, systematic barriers to prevent them from securing a place at a local academy that they believe can meet their child's needs. I fear that that will lead to selective admissions through the back door in the new breed of academies and will make the situation that much worse for so many more children.

Mr Graham Stuart: The hon. Lady is making a persuasive case and I share some of her concerns. If my memory of the equalities impact assessment is correct, existing academies take rather more statemented children and those with school support and school support plus—I think that I am getting my terminology wrong—than the average school. On the evidence so far, it does not look as if academies fail to take on their fair share of children with special needs.

Pat Glass: The picture varies throughout the country. Some schools in some parts of the country take a larger percentage of children with special educational needs, but some schools in other parts of the country—I think that it is particularly true in London—do not. It is another postcode lottery. It depends on how good the system is across the piece.

Mr Stuart: Does the hon. Lady think that the pupil premium model might be useful in ensuring that children from the poorest families have additional resources to go with them, which in some ways makes them more attractive to schools? Does she agree that a system that provides incentives for schools to attract and look after the most vulnerable is better than one of bureaucratic diktat and fiat that forces children on schools that are reluctant to have them? Could not the former prove more productive in the end?

Pat Glass: That is the problem—we simply do not know. We have not got the detail. I do not know what the pupil premium will bring. I was talking to a head teacher today who told me, "On the face of it, the premium looks attractive. However, I suspect that when I get it, I will actually lose the standards fund and lose additional educational needs funding. I may end up with less, not more funding for my vulnerable children." That is the problem. The devil is in the detail and we do not have the detail. The Bill is being rushed through, without giving us the opportunity to look at those matters.

I am concerned that academies will be reluctant to admit vulnerable children because, through no fault of their own, they do not perform as well as their peers. The likelihood of vulnerable children gaining admission, particularly to outstanding schools, will therefore be reduced. I could see nothing in the Bill—I have looked at it carefully—about making the admission of vulnerable children a must. I know only too well that telling head teachers and governors that they should admit is very different from telling them that they must do so. I would like further reassurances that academies' admissions policies will ensure that children with special educational needs are not disadvantaged.

I am concerned about the accountability framework, particularly for children with SEN. There is no clarity in the Bill on where a parent goes for redress if an academy fails to deliver on SEN, whether the child is statemented or not. Currently, parents can go to the local authority if a school fails to deliver, and ultimately to the SEN tribunal. If a school fails to deliver, a parent has redress through judicial review, but there is no clarity on whether such redress will be available under the Bill, so parents simply will not know where to go if an academy fails to deliver.

It is unclear who will monitor the progress of SEN children in academies. If we have learned anything in the past 10 or 15 years, it is that when the spotlight is put on the performance of vulnerable children, they improve. We have seen that with looked-after children. If there is no clarity on who is monitoring the performance of SEN children, they will simply be lost in the system.

Before my voice packs up altogether, I shall move on to exclusions. I have worked in a number of local authorities, in each of which I have analysed permanent and fixed-term exclusions. The pattern is the same. In my experience, 75% of children who are excluded on a fixed-term or permanent basis have special educational needs. Of those, my analysis shows that 100% have either behavioural difficulties linked to autistic spectrum disorder or attention deficit hyperactivity disorder.

TreeHouse, a charity that works with children with autism, has found that SEN children are nine times more likely to be excluded from school, and the situation is more acute in academies. If we massively increase the number of academies, we will increase the problem.

Andrew Percy: The hon. Lady makes a powerful point, with which I have some sympathy, but she must also accept that the Bill gives schools the ability to tailor their curriculum much more. She will know that part of the problem of dealing with some of our more difficult children is that the curriculum is too restrictive for them. The Bill will give schools more freedom, so it has some positive aspects.

Pat Glass: I entirely agree that part of the exclusion problem is the formalisation of the curriculum, which in many cases happens far too early. However, my experience of academies does not give me hope. I do not expect that vast numbers of academies will amend the curriculum to meet the needs of SEN children. Which children are failing? The gap between those who achieve the most and those at the bottom is greatest at outstanding or high-achieving schools. Although I welcome freedom in the curriculum, I have no hope that it will be used for SEN children.

The proposals in the Bill are not well thought out and they are likely to affect adversely the education and life chances of children with SEN. They will make the already difficult lives of children and parents harder, and they will become part of the problem, not part of the solution. I ask simply that we take the time to look at the Bill in relation to the most vulnerable children in our society. If we take that time, the chances are that we will make the Bill that much better for that many more children.

The Minister of State, Department for Education (Mr Nick Gibb): May I refer the hon. Lady to clause 1(7), which strengthens the position of children with special

[Mr Nick Gibb]

educational needs compared with what it was when the previous Government were in power? Under the Bill, academies are on the same footing as maintained schools.

Pat Glass: They are on the same footing in terms of funding, but we have no guarantees about what that funding means. That is what I meant by the problem with the detail. The Bill talks about funding without going into the details and saying what it means. What is the pupil premium and does it affect additional educational needs funding? Who will be responsible for non-statemented pupils? All those details are simply not in the Bill.

5.34 pm

Dr John Pugh (Southport) (LD): Nobody in the Chamber has ever argued that good government benefits by legislating in a hurry—nobody sane at any rate—and nobody in education has ever believed that the best time to consult schools and parents is during the school holidays, so the puzzle is this: why is the Secretary of State making us stay in and, with some haste, pass this legislation, when pressing matters such as reviews of discipline, special needs and so on need to be undertaken? Why this sudden and seemingly unjustified imposition, when there appear, on the face of it, to be more pressing things to do?

The Secretary of State is, I believe, extraordinarily well intentioned, dedicated, polite and considerate, and he is keener to convince than to coerce, but on this issue he seems to be possessed by a messianic enthusiasm characteristic of Tony Blair—in fact, he admitted as much in the debate—who, let it be said, never let practical problems cloud pleasing prospects. I find it perfectly understandable that the new Secretary of State, not content with simply running his Department well, wants to make his mark. The way that is customarily done is by introducing legislation—legislating for change. The easiest thing that a Schools Minister can do is change the governance of schools. It is what Education Ministers most commonly do—although not necessarily what they do best—so we have had comprehensives, direct grant schools, city technology colleges, grant-maintained schools, specialist schools and academies. There are many variations.

Ministers argue at every twist and turn that each latest new governance proposal will eradicate bad schools, bad teaching and poor pupil performance. If only it were that easy. Addiction to academies is simply the latest manifestation of this tendency. The Blair/Adonis academies demonstrated the well-known truth that if a school has a fresh start, plenty of money, new staff and a lovely building, it will produce at least a temporary fillip in results. What those academies did not demonstrate —as hon. Members must know—is that academy governance and its freedoms made any difference whatever.

I recommend that Members study carefully the National Audit Office report on academies. It showed conclusively that academies in deprived areas produced no better results than the previous excellence in cities programme, and at much greater cost. I really do instruct Members to get hold of that report, read it carefully and see that what made the difference was the funding, not the governance. Tellingly too, that report leaves out the effect on neighbouring schools. It does not even take that into consideration as a problem.

The Bill suggests that simply calling schools academies without the dosh will work some special magic. I am personally intrigued by this relabelling exercise. There may be a day when simply calling an institution a "school" might be some sort of insult or an indication of failure. I do not know whether other hon. Members have read Evelyn Waugh's "Decline and Fall" but in it the hapless Paul Pennyfeather seeks a teaching job through an agency having been expelled from Oxford. He is told by the man at the agency:

"We class schools...into...Leading School, First-rate School, Good School and School. Frankly...School is pretty bad".

Interestingly enough, Waugh's unfortunate character Paul Pennyfeather was expelled from Oxford for indecency, having been de-bagged by drunken members of what Waugh calls the Bollinger Club. There is a slight resonance in that.

There is no particularly persuasive evidence that a plethora of independent academies produces better outcomes than a network of schools organised by a good local authority. Studies of parallel arrangements in Sweden and the USA have been similarly inconclusive. They are not the ringing endorsement that the Secretary of State described, and those who are well informed know that only too well.

Vernon Coaker: Does the hon. Gentleman find it interesting that in the debates that have taken place so far on the Academies Bill there has been little reference to the evidence pointing to the opposite conclusion to that arrived at by Government on free schools or charter schools? Even more remarkably, there has been little reference to the equality impact assessment published alongside this Bill, which demonstrates some serious concerns about achievements in academies with respect to special needs pupils, girls and ethnic minorities. I am not against academies, but I would have thought that those conclusions would suggest to a Government who were not acting with such haste that they should proceed with some caution.

Dr Pugh: The shadow Minister has the advantage of me. I do know that there are a number of studies of charter schools in the United States, and that some are for and some against. The meta-analysis is inconclusive. It does not show that charter schools necessarily produce the wholesale educational improvement that the Secretary of State mentioned in his contribution.

There is no evidence that schools with all their current freedoms—and the ordinary council school has much more freedom than it ever used to have—feel oppressed rather than supported by local authorities. However, as has been said several times today, there is ample evidence that they are sick to death of the bureaucratic overload imposed by the Department and Ministers. It is downright shoddy and unfair to suggest that schools can be released from the bullying and bossiness of central Government only if they break their relationship with the local authority. It is dishonest to suggest that academy status is about addressing underperformance, when it is those who overperform who are to be fast-tracked and those in the leafy suburbs who are most likely to apply.

Ian Mearns: Does the hon. Gentleman agree that, in regard to the other part of the coalition, the cat is out of the bag, in that some Conservative Members regard academy status as grant-maintained status reinvented,

and as a sort of promised land towards which they have been working? Part of the underlying problem is that, with money for services such as special educational needs, and school improvements in particular, being dragged back from local education authorities, schools that are already regarded as outstanding and excellent will be taking from local authorities money that would otherwise be used to improve other schools, which there will no longer be the capacity to do.

Dr Pugh: To a certain extent, it seems to be a case of "to those that have, shall be given". It is also highly unlikely that parents in the most deprived areas, where attainment is low, will have the skills, the capacity or the conviction to set up their own schools. Free schools will probably be created elsewhere, in areas that are already stocked with quite decent and reasonable schools.

Even if we can force ourselves to ignore the slim evidence and the implausibility of some of the arguments, we should not blind ourselves to the risks involved. Those risks have been mentioned here and in the other place. They include the risk of a two-tier education system—the word "apartheid" has been used—and the risk of knock-on consequences for other schools. A number of Members have also mentioned the risks to special educational needs and support services. I also invite Members to inspect the Bill's treatment of charity law, which could create the risk of profiteering skewing schooling at some time in the future. There is also a risk of diminished public accountability for a public resource, and an enormous risk in the current circumstances, with the £150 billion deficit, that we might lose economies of scale and consequently spend more money to less effect. Furthermore, we might have to bear the huge capital cost of providing extra buildings while underusing the present buildings in an anarchic, unplanned education market.

Steve Baker (Wycombe) (Con): My hon. Friend seems to be constructing an argument that freedom is a bad thing. He has described a number of risks, and yes, there are risks, but surely life involves risk. Does he not agree that the word "liberal" is derived from "liberty"? I find it confusing and surprising that he is making such a strong case against liberty.

Dr Pugh: I have never thought that liberalism had anything to do with precipitate, foolish and unresearched activity. I am not in any way suggesting that that is what we have here, but I am saying that there are valid reasons for an essentially rational liberal to make fair and cautious points about where we might be going with this, and to want to be assured that what we are doing will have the consequences that we expect.

There are risks involved, many of which have been voiced in the other place as well as here. To be fair, Ministers have tried to forestall those risks, privately and publicly, and to placate people with their mellifluous tones. I welcome that and I accept it; it is a good thing, as it encourages rational discourse. But, however convinced or unconvinced we might be, what negates all those assurances and soothing words, and what gives the game away and convinces me that this is a semblance, and a rational coating perhaps disguising an unbending ideology—although I hope not—and a visceral dislike of local authorities, is not the words that Ministers have used but the haste with which they have moved.

Annette Brooke: Does my hon. Friend share my concern that, although the Bill now has an amendment on consultation, the desired aim to turn some schools into academies by September seems totally consistent with those words and with what might happen in real life?

Dr Pugh: Having worked in schools for a large part of my life, and knowing the degree of organisation required during the summer recess to prepare for the new term, I find it distinctly improbable that any such schools will be ready to run on a completely different footing in September. The Minister clearly disagrees, and I defer to his knowledge of how things might go. I have to rely on my own experience in these circumstances, however. I have to emphasise that there is a big difference between legislation for a pet project, which we have seen many times in this House, particularly in the Blair years, and mature and considered legislation, and it revolves around whether it is properly handled in this place.

Bill Esterson: Is the hon. Gentleman aware that schools in his constituency and mine have made inquiries about academy status and that one head teacher in his constituency commented that the whole process was a shambles? Does not that underline his point about the haste with which this legislation is being carried out?

Dr Pugh: It is not yet a shambles, but I welcomed the intervention from the Chairman of the Select Committee, suggesting that there is a proper and appropriate way to proceed with an important piece of legislation like this. I do not think that we have yet hit on that way here. What is the best I can say of this legislation? It does not remind me of the new politics; it reminds me—though Opposition Members might not want to hear this—of new Labour. That should give us cause for concern in this corner of the House.

5.46 pm

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): We have heard excellent speeches from both sides of the House, but I rise with feelings of real unease about the proposals in this Bill. My unease is real as my constituents' children will be denied the promise, via Building Schools for the Future funding, of a new secondary school in the town of Guisborough. This school is already the largest on Teesside and, under BSF, it would have partnered a state-of-the-art special needs school on the same campus, serving the whole of East Cleveland. My unease is also real because the Bill contains provisions to allow new, highly dubious and experimental schools to flourish, while schools like the Laurence Jackson, which has given decades of service to our local community, are being actively undermined by the Con-Dem coalition.

I also feel anger as these new academies will be allowed to flourish in a deliberate attempt to marginalise old, long-established local education authorities. Indeed, the new academies will also flourish at the real expense of the equally long-established and highly regarded diocesan school structure, which gave the Church of England and the Roman Catholic community a direct input into education.

I am particularly concerned about the Bill's implications for the further growth of faith schools—in the context of the recent history of academies, this really means

[Tom Blenkinsop]

fundamentalist Christian groups—and their ability to deploy significant funds to endow academies. In my constituency, we already have the King's academy, based in the Middlesbrough estate of Coulby Newham. That school was the brainchild of the Vardy Foundation, which I would describe as an evangelist group. To its credit, the foundation adheres to the national curriculum at the King's academy—and in other schools it controls—although it has in the past hit local authority headlines for things such as allegedly banning Harry Potter books from the school library. The King's academy is popular with parents—partly, I believe, because it still organises its classes around the national curriculum. However, this Bill removes that condition. Although I do not believe that the Vardy Foundation will change its stance, the ability to do so is entrenched by this Bill.

Put simply, this deregulation of public education will significantly increase the power and influence of any fringe movement. Worse still, these changes may turn out to be irreversible, entrenching views held by only a small minority and allowing them to be propagated.

Steve Baker: Speaking as a committed Christian, I am most surprised to hear the hon. Gentleman talking in these terms about minorities. If Conservative Members spoke in these terms about different minorities, I am sure he would be quick to condemn us. Although I am a committed Christian, I spent yesterday evening in the mosque. I was happy to be there with those gentlemen; I get on terribly well with them. I ask the hon. Gentleman to use more moderate language in his description of Christians. I think Christians in this country have had enough; they deserve to be treated with the same sort of respect that the hon. Gentleman would expect for any minority.

Tom Blenkinsop: Speaking as a Christian myself—a Roman Catholic Christian—I take the hon. Gentleman's words into account. However, I am not making any allegations about minorities; I am talking about checks and balances for all minorities with respect to other minorities.

Put simply, the deregulation of public education will significantly increase the power and influence of any fringe movement. Worse still, as I said, these changes may turn out to be irreversible, entrenching views held by only a small minority, allowing them to be propagated to young and impressionable children under the veil of accepted educational practice. Such potential developments fill me with great fear. I can see the perverse realisation of young children, some of primary age, being taught or indoctrinated with views that border on the near fanatical—and possibly in totally unsuitable premises. There are also curriculum-related concerns about such matters as the teaching of creationism, and the total absence of any compulsion to ensure that elements of personal, social or health education are taught. I believe that some clauses will serve as a Trojan horse in that regard.

Earlier, I referred to maintained schools that are managed by their respective dioceses. I should say that I am a product of Roman Catholic primary, secondary and sixth-form education. Those schools worked in harmony with the local education authority, not against it or separately from it. The same applies to self-governing further education and sixth-form colleges. The National Governors Association, the National Grammar Schools Association, the Catholic board of education and many major charities are now urging the coalition to slow down their consultation for precisely that reason. Indeed, the Liberal Democrat Education Association opposes the Bill.

None of those organisations asked for the Bill, and I suspect that, with good reason, they will be wary and fearful of what may result from it. It could lead to the creation of religious academies which, unlike maintained faith schools, would lack the moderating and sensible constraints and influence of local communities. Such academies would be separate from society, big or otherwise. Unamended and without clarification, the Bill would allow academies run by religious groups to devise and use their own curriculums, to the exclusion of arguments and facts that might question the minority beliefs of those groups. Some provisions might well allow academies to discriminate against children in their admissions policies on the basis of their perception of parental beliefs.

As I said earlier, mainstream faith schools will be fearful of some of the ideas contained in the Bill. Some of its provisions could ride roughshod over them. Clause 5(8) would force a state-maintained school with a religious character—a faith school—automatically to become an independent school with that religious character. It would permanently remove any possibility that state-funded religious schools could choose to become inclusive academies. Such draconian and one-sided powers would remove any element of choice and freedom from the existing school governing body, and thus run counter to the parts of the Bill that refer to increasing the autonomy of schools.

The dialectic between appearance and reality seems to be a recurring theme in the coalition Government. When it comes to consultation, they give the appearance of thoughtful, reticent appreciation of the opinions of all who will potentially be involved, while in reality—in contravention of the procedure for potentially controversial legislation—the Bill was introduced in the House of Lords and then rushed through, and is likely to be given even less time in this place. Indeed, the Secretary of State's insistence that its passage must be completed before the summer recess may mean only four days of scrutiny.

Will the coalition trot out the same old mantras? Will they say that this is necessary because of the deficit, or that it is the new politics of radical reform? That is more than likely. The "words of appearance" will give birth to a reality of fringe interests. Representatives of such interests, often with deep pockets, will muscle in on the people's education system, presumably at the expense of the pay, terms and conditions of workers in that system.

Professional school support staff play a vital role in every school, although they are often part-time and low-paid. As a result of the Bill, school support staff as well as teachers would be directly employed by the new academies. That would take staff outside nationally agreed and recognised pay and conditions, leaving them much more vulnerable to cuts, poor working conditions and, fundamentally, uncertainty. Support staff would not be covered by the new School Support Staff Negotiating Body, which has been developed over several years to deliver long-awaited fairness and consistent, decent equal pay for classroom support work that has increased in terms of both scope and demand.

Kwasi Kwarteng (Spelthorne) (Con): Does the hon. Gentleman believe that the content of the Bill differs significantly from legislation produced and speeches made by the former Prime Minister, the former Member for Sedgefield?

Tom Blenkinsop: The point is that we do not know. Because of the pace at which we are dealing with the Bill, we do not know what some elements of it actually mean. We have no definitive evidence. Members on both sides of the House have gone into some detail, but have not provided enough specificity for us to discuss it.

Many support staff, unlike teachers, are not paid during the school holidays. The SSSNB was given cross-party support in the Apprenticeships, Skills, Children and Learning Act 2009, and has a broad range of school, local authority, religious and employee representation. The Bill would effectively transfer workers to the private sector, unilaterally, without due consultation or consideration. It has the potential to undermine the previous consensual approach of all parties to the creation of the SSSNB. That is certainly not an indication of the "new politics".

However, despite my obvious criticism—and if we are to take the coalition Government at their word—we can agree that there may be merits in widening the educational family beyond the tried and tested mainstream of the LEA. In the past, academies have had a variety of sponsors. Some, to which I have referred, have had a particular religious conviction. Some have been part of higher education—for instance, Teesside university, which is committed to becoming a partner in the sponsorship of Freeborough college, in the East Cleveland part of my constituency. The NHS is also involved, but most sponsors have come from commercial business, although given the coalition's recent pace and predilection, the NHS may join the long list of private enterprises. Commercial business sponsors range from Lord Harris, of carpet warehouse fame, to companies such as the United Learning Trust, which has links with major public schools, and firms such as Vodafone, Barclays and Honda (UK).

If representatives of one side of society and commerce can be partners in schools, what about those on the other side? I should be fascinated to hear the Minister's reaction to a new concept that I want to float. I simply suggest that the Trades Union Congress, or individual TUC unions, be encouraged to set up a trade union school or schools. We might also ask representatives of the co-operative movement—an organisation that was dedicated to mutualism, harmony and fairness centuries before Cameron's "big society" road to Damascus—whether they would be interested in being part of a wider educational family.

The trade unions have a long history of propagation of adult education through institutions such as Ruskin college in Oxford. The TUC still has its own education department, and individual trade unions, with TUC encouragement and help from local learning and skills councils, have developed successful and widespread union learning campuses in workplaces where they have recognition agreements. The co-operative movement is historically associated with early socialist Sunday schools designed to give children a broader view of the world than could be obtained through Victorian churches, and even today it helps to sponsor educational development in parts of the developing world where it sources food for consumers.

The country, and even the coalition Government, can live with co-operative forms of enterprise. The Government could even float the concept as a way of managing former central or local state provision. If a state can ensure our children's education with car dealers, carpet salesmen and other wider commerce, why should it not do the same with the democratically elected expression of working people, the trade union movement?

I look forward to the Minister's response to the points that I have made.

5.57 pm

Charlotte Leslie (Bristol North West) (Con): I shall try to be brief, as we keep being reminded that time is of the essence. I believe in quality, not length, when it comes to debate.

I understand the points made by Opposition Members, but I think we should recognise that we are discussing yet another reform of the education system because there is a problem. There is a two-tier system. Our schools have gone down the ranks in terms of international comparison, and the poorest in our society have borne the brunt. We have the biggest gap between private and state education anywhere in the world. As has already been pointed out today, only 45 of the 80,000 children receiving free school meals have gone to Oxbridge. That worries Members on this side of the House as well as Opposition Members. Another problem is that those who have money can buy into a good state school, and those who are ideologically opposed to private schools can spend the equivalent of private school fees by moving into the catchment area of a state school, often a faith school.

Mr David Lammy (Tottenham) (Lab): The hon. Lady said that our schools were performing less well on the OECD list. Does she accept that, using the same comparison earlier, the Secretary of State did not acknowledge that since the break-up of the Soviet Union a number of states have entered the system, and that the Soviet Union had a fairly good education system?

Charlotte Leslie: The right hon. Gentleman has made an interesting point, which I will take on board.

Kwasi Kwarteng: The Soviet Union dissolved in 1991, but my right hon. Friend the Secretary of State was talking about comparisons between 1999 and today. I just wanted to put that on the record.

Charlotte Leslie: My hon. Friend makes a point that I was not going to make for the sake of making progress in my comments, but I thank him very much for that clarification.

Some clarification is required in respect of the Bill as well. There is not some kind of compulsion whereby politicians are driving schools to claim these freedoms. The Bill simply seeks to lift the lid on the ambition, desire and passion that already exists, such as in outstanding schools whose head teachers have said to me, "Isn't it amazing that if I was at a bad school I'd be able to get the freedoms I want to run my school, but we are just doing too well to have them?" The Bill removes that perverse incentive, and it enables parents and—to mention a group that we have not discussed enough in our

[Charlotte Leslie]

debate—teachers to act: it enables parents and ideologically driven teachers who want to help the most vulnerable in our society by starting small schools, along the lines of the American charter schools, in those communities that most need them.

Many of the people who express an interest about this subject to me are those very teachers. They are the kinds of teachers who may be involved in Teach First and the Future Leaders programme. They are people who desperately want to improve the lot of those children who are on free school meals in the most deprived parts of our communities. It deserves a little more recognition in this debate that the Bill aims to lift the lid on passion, belief and desire that already exist to improve education. It is not about compulsion; that is not what we on these Benches are all about.

I understand the concern felt on the Opposition Benches that it is the good schools that will benefit from academy status. I would share those concerns if very substantial amounts of capital investment were to be going into those very good schools, but that is not the case. The good news is that there can be improvement without enormous injections of taxpayers' money; after 13 years, that obviously comes as very good news to all Members. That improvement will allow good head teachers who lead outstanding schools to have the freedom to innovate, and also to offer their innovations to struggling schools. One aspect of the Bill that I particularly welcome is that it will not only encourage but require good schools that take on academy status to link up, not with outstanding schools as the shadow Secretary of State rather oddly implied, but with the weakest schools that most need that help. That point needs reiterating.

Another aspect of the Bill that should be highlighted is the fact that, for the first time, academy proprietors and sponsors will be subject to freedom of information legislation. Freedom of information has, of course, made the past year and a bit extremely rocky for this House, but, all in all, I think it is an extremely good thing and I am extremely pleased that that kind of public accountability will apply to academies and free schools so that we have a proper test of whether they are actually doing what we want and expect them to do.

I was around in the corridors of this House—although not as a Member, and nor, alas, in the corridors of power—when the Education and Inspections Act 2006 was making its progress as a Bill, and I remember that when the concept of trust schools was first floated there was a huge amount of sincere panic on the Labour Benches that that would open the floodgates and that it would be the end of the educational world and we would all be going to hell in a handcart because local authorities would not be able to control schools as they had previously. Now, four years on, has the world ended? No. Four years on, has trust status enabled Orchard school in my constituency to link up as a trust with the Bridge learning campus, which is driving very good improvements? Yes it has. Therefore, I say to Opposition Members that there was a lot of panic about the 2006 Act, and I also suspect that a lot of what is being said now is conjecture and expressions of fear about the liberation of forces that are not Government forces. I hope that alleviates some of the concerns among those on the Opposition Benches.

It is important not to see this Bill in isolation. We cannot solve everything through structural reform alone. It is certainly part of the equation, but we need to remember that there are far more measures in the coalition manifesto that tackle standards issues—and standards issues in respect of struggling, weak schools. If we were to see this Bill alone as the sole coalition offering on education, some of the concerns expressed by Opposition Members might carry more weight, but it does not stand alone. We also have reforms for improving discipline in struggling schools, which is one of the things that makes teaching in such schools so very difficult. Also, the pupil premium will send money directly to those children who most need it; of course there is work to be done on that, but that is what this House exists to do.

One development that I find particularly concerning, and scandalous, is that over the past 10 years pupil referral units have become repositories for children with special educational needs at the same time as special schools have been closed. I know no one wanted that to come about, but the House must address that tendency, and I hope the added responsibility for new academies to take care of children with SEN will improve the situation. I also hope that some of the measures we will be taking forward will look at pupil referral units alongside other society and voluntary organisations that can perform that function better.

Shabana Mahmood (Birmingham, Ladywood) (Lab): The hon. Lady says the coalition is very concerned to remove disadvantage within our education system. If that is the case, why is it that under these proposals the first schools to become academies will be those that are already deemed to be outstanding?

Charlotte Leslie: As I have said, if this involved a huge capital investment going to those outstanding schools, I would not be standing here defending the Bill; instead, I would be pretty horrified. The point is, however, that schools that are outstanding have proved their worth; they know what they are doing and they are doing it well. It is a very easy and simple step to say to those head teachers who are doing well that, with measures of accountability, they should carry on and share their best practice. We would like such freedoms to be extended to all schools, but that has to be done within an accountable structure.

Bill Esterson: Does the hon. Lady agree that outstanding schools need help less than schools in lower categories? If she does, does she think it is right that it is outstanding schools that are getting the help, not the schools below those categories?

Charlotte Leslie: I will repeat what I said before—and also just note that it is interesting and very pleasing that the hon. Gentleman uses the word "help" in that that suggests that he agrees with Government Members that granting freedom to schools is in fact helpful. However, I repeat the point that this is not loading resources that could go to a school that is struggling onto a school that is not struggling. This is lifting the lid on ability, ambition, desire and aspiration that already exists, and enabling that to come out and flow into those schools that most need it. I thank the hon. Gentleman for his intervention, however.

I shall now conclude, as the House always hears enough of talking. A key point comes out of the idea that we can have improvement only through capital investment and rebranding. I have heard concerns that there will be an enormous amount of expenditure on rebranding those outstanding schools that become academies, but we are not going to do a rebranding exercise and then expect that alone to be the change and do nothing else. There will be no massive investment in a rebranding that does not actually effect change.

All in all, I welcome the Bill. It is real action—it is not money spent merely on rebranding—and it liberates the knowledge of professionals and also the desire of professionals to improve children's lives and opportunities that I believe has been stifled for far too long.

6.8 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I am delighted to follow the hon. Member for Bristol North West (Charlotte Leslie), who made a constructive and reflective speech.

The starting point when thinking about the Second Reading of this Bill is to consider what are the keys to success for schools reform. We must consider the impact of reform on the following: the quality of leadership in our schools; the standards of teaching and learning in our schools; and the achievement gaps that we know still scar our system both within schools and between schools.

I want to set out six areas of concern. The first of them echoes a concern raised by the Select Committee Chair, the hon. Member for Beverley and Holderness (Mr Stuart), who described himself as a "structural change sceptic". I agree with him: it is wrong that structures are so often put first. We on the Labour Benches sometimes did that when we were in government, and I think this Bill repeats the error. I think the key to success in education is the quality of the people involved—the quality of the head teacher and of the rest of the leadership team in a school, the quality of parental engagement, and, of course, the quality of the learning of the young people themselves.

The example of Mossbourne community academy in Hackney is rightly often cited. It is a wonderful, brilliant school and a great advertisement for academies. One of the main reasons for its success is its principal, Michael Wilshaw, who was previously at St Bonaventure's, a Roman Catholic school in Newham, where he achieved a similarly remarkable transformation. I make that point to emphasise that, first and foremost, it is about the individuals and the personal skills that they bring, rather than the structures.

In Labour's academy programme—as others, including my right hon. Friend the Member for Morley and Outwood (Ed Balls), have said—our starting point was schools that serve some of the most deprived communities in our country. I had the privilege to serve as Minister for Schools for three years in Tony Blair's second term, and one of the things I was responsible for was the London challenge, which addressed disadvantage and the failure of schools in some parts of our capital city. Academies were absolutely central to strategy that we pursued in London. However, it was about not just academies but strengthening school leadership, Teach First—the hon. Member for Bristol North West referred to that—and effective networks between schools sharing professional best practice.

In most cases the academies have so far been very positive, and for a number of reasons: their freedom to innovate, the positive involvement of their sponsors, and their focus on good leadership in our schools. I do not accept the argument of the hon. Member for Southport (Dr Pugh) that it was just about the funding, although that was certainly a factor. There is a big difference between autonomy for schools, which I absolutely support, and isolation of individual schools. We need to achieve a combination of autonomy and partnership between different schools if we are to produce a high-quality system, and that is not just about structures.

My second concern, freedom, was eloquently discussed by my hon. Friend the Member for Huddersfield (Mr Sheerman). If these freedoms do work—by and large, they do—why do we not apply them to all schools? I have not heard a convincing argument from the Conservatives and Liberal Democrats as to why this legislation applies first and foremost to schools that are already outstanding, rather than seeking to apply some of these freedoms to all schools.

Mr Gibb: The hon. Gentleman will of course remember that the Secretary of State wrote to all schools inviting them to apply for academy status.

Stephen Twigg: Indeed he did, but my understanding is that there will be a fast track for schools that are already outstanding. In responding to me earlier, the Secretary of State rightly said—I will return to this point—that there are many outstanding schools in deprived communities, but we know that on average, most outstanding schools have lower levels of children with free school meals and of children with special educational needs. I therefore want the Government to consider whether it is right to give this fast-track prioritisation to outstanding schools.

The provision in the Bill dealing with schools in special measures leads me to worry about the schools in the middle. If we have academies that are aimed at the outstanding schools, and academies—the Labour academies and those that fit into the second category in the Bill—aimed at schools in the most challenging circumstances, what about the schools in neither of those categories? We need to consider that issue in more detail in Committee.

My third concern, which has already been set out by other Members, is the speed—the haste—with which this proposal is being taken forward. In the excellent debates on the Bill in the other place, Lord Turnbull, who chairs Dulwich college, an academy sponsor in Kent, made a strong case for that view, and I hope the House will bear with me if I quote him:

"The granting of academy status should be seen not just as a reward for past achievement but as an opportunity for future improvement. Candidates should not be invited to write a 'Yes please, me too' letter, of which we have had a thousand already; they should be required to reflect on how they can turn these freedoms to advantage. They should think about their governance structures rather than simply carrying on with existing boards that were created in a different regime. The opportunity to bring in new sponsors with new ideas must not be skipped…An aspiring academy…needs to think through afresh its ethos, the curriculum that it offers, its policies on a huge range of issues…A school cannot do a thorough job of preparing its prospectus in that time, let alone get it approved by the department and the as yet non-existent regulator. We should not be encouraging schools to skimp on this important work."—[*Official Report, House of Lords*, 7 June 2010; Vol. 719, c. 537.]

[Stephen Twigg]

I echo those words of Lord Turnbull, and I want to illustrate the point further with three examples from my own constituency. Schools feel that they are being rushed into a decision without all the information being available to them, and this links to the earlier decision to end the Building Schools for the Future programme. De La Salle is a Catholic boys' school in Croxteth, in a very deprived part of my constituency. It is an outstanding school, according to Ofsted, and was due to become an academy under BSF, so its BSF money is currently under review. It wants to know whether it is going to get its investment.

Just next door to that school is St John Bosco, a Catholic girls' school that was a sample school under BSF. It, too, is an outstanding school in a deprived community. Its head, whom I saw on Saturday, is wondering whether she should apply for academy status in order to get the money the school was going to get under BSF.

A third example, Holly Lodge school, in West Derby—a good, well-respected school with an outstanding curriculum—has lost its BSF funding. Its chair and head of governors do not want it to be an academy, but they are nervous that their school may end up at a disadvantage as these proposals go forward.

All this says to me that the Government should have taken a more considered approach to this legislation. There is a real danger of harm being done, and I am not at all clear—hopefully, the Minister can enlighten me in his closing remarks—how the Secretary of State intends to prioritise schools that are going to become academies. The role that sponsors and partners have played in supporting existing academy schools and trust schools has been absolutely crucial, but if many hundreds of schools become academies straight away, I cannot see how those effective partnerships can be put in place. Therefore, those academies will not be as effective as the existing ones have been.

My fourth concern is fairness—fairness in admissions, funding and exclusions. Autonomy, which I support, must not mean academies avoiding their responsibilities on key issues such as the local behaviour partnerships and how they treat children with special educational needs.

That brings me to my fifth, penultimate concern: the treatment of children with special educational needs and disabilities. My hon. Friend the Member for North West Durham (Pat Glass) made the case on this issue very strongly. We know that many SEN children are being failed now—not only by academies but by other schools. In Liverpool, many parents of children with autism have come to see me in the two and a half months since I have been their MP to talk about how they feel the system is failing them. Some special schools becoming academies could be a very positive thing for the education of SEN children, but we need to ensure that the mainstream schools are also meeting the needs of all those children.

My final concern is one that other Members have referred to: the role of local government and the balance between the local and the centre. When I was the Minister for Schools, I had to make decisions affecting academies on quite detailed issues. I often felt rather uncomfortable that I, a Minister in London, was making decisions about schools across the country on limited information—and that was when there were fewer than 200 academies. I am concerned that, as my right hon. Friend the Member for Morley and Outwood said, this Bill could massively centralise power over schools in the hands of the Secretary of State. We need to look at a renewed role for local government in education, but without turning the clock back to the days of local authorities running schools; I do not think anyone is arguing for that.

In the other place, Lord Baker made the case for local authorities taking a lead role on special educational needs. That is important. Local authorities can have a strategic role, as my right hon. Friend the Member for Morley and Outwood said, in commissioning places. The local behaviour partnerships that are due to come in this year should go ahead, and local authorities have a key strategic role to play in that regard.

Over-hasty legislation is rarely good legislation. This Bill potentially takes the excellent academies programme in the wrong direction. More freedom is a positive thing, but it should be for all schools—unless there are good reasons not to give it—rather than just for the outstanding schools first. There is a real danger, as I said, for schools in the middle, and for those reasons I am certainly not persuaded that the Bill meets the tests I set out at the beginning of my speech.

6.19 pm

Dan Rogerson (North Cornwall) (LD): It is a pleasure to speak in a debate in which so many excellent contributions have been made. A number of hon. Members, in particular, my hon. Friend the Member for Southport (Dr Pugh), have raised the issue of timing. The new coalition Government are beginning a legislative programme and are seeking to set out their stall and signal to those who may well have to take contingent decisions on the legislation exactly what opportunities may be available to them. So I understand why the Government were keen to press ahead with this approach, which was part of the coalition agreement, and to make it absolutely clear how it might be developed by means of a Bill.

The fact that we are considering this Bill on the Floor of the House in seven or eight days is unusual. However, I hope that many of the hon. Members who are in the Chamber will be with us throughout our deliberations and that we will have the opportunity to probe on certain issues and end up reassuring the hon. Member for Liverpool, West Derby (Stephen Twigg) that the Bill can achieve its aims. Perhaps we will also be able to convince my hon. Friend the Member for Southport on the points that he raised with his customary humour and good will.

This Bill began its journey in the other place, and I pay tribute to my noble Friends the Baronesses Walmsley, Garden, Sharp and Williams, and to other Lords and Baronesses, for the time that they spent on the Bill. The Government did make changes to it during its progress through the other place, and others have succeeded in advancing slightly different views that have also been incorporated in the Bill. That makes it a stronger Bill and the process has clarified some of the issues that we are coming to consider. However, as other hon. Members have pointed out, some matters still need to be resolved to the satisfaction of Members of this House. It is right that the elected House has its chance to do that and, although the timetable is challenging, our considering this Bill on the Floor of the House in this way will provide us with that opportunity.

Interestingly, the concept of academies originated from the parties on this side of the House; it came, in particular, from the Conservative side of the coalition, rather than from the Labour party, which now finds itself in opposition. Tellingly, as has been said by some hon. Members, Labour still had work to do to convince its Members that there was a role for academies in the education system. Clearly, as Labour Members have pointed out, my party's policy going into the election was to revisit the academies issue; we came up with "sponsor-managed schools" as a different approach.

Much to my regret and, doubtless, to that of many Labour Members, they are not facing a Liberal Democrat Government across the Chamber, but a coalition Government. It is important that these issues are debated in that coalition and that we have the opportunity to come up with an approach that—we hope—represents some points raised by both manifestos. The Secretary of State has pressed forward with, and has been a great advocate of, the approach in this Bill. I hope that my Liberal Democrat colleagues will have the opportunity to put forward our concerns so that we can develop a Bill that reassures everyone.

Geraint Davies (Swansea West) (Lab/Co-op): The hon. Gentleman will recall that his party's manifesto contained a pledge to invest more money in education, but does he agree that he is now accepting a 25% cut? Furthermore, is it not the case that the money that is being supplied is being directed to the middle-class areas and is no longer being targeted at those most in need? How can he reconcile those things with his principles?

Dan Rogerson: As has been mentioned, the key proposal that the Liberal Democrats made during the election was for a pupil premium to target money at disadvantaged pupils and those with particular needs—that is in the coalition agreement and will be delivered. As the hon. Gentleman says, there are cuts to be made to public services but, at the risk of tiring the House, we have repeatedly set out why that has to happen. We are where we are, and I am proud that the coalition is still pressing ahead with the pupil premium and will consider taking money for it from outside the education budget to help particularly disadvantaged pupils.

I wish to raise a few issues, some of which have been touched on by other hon. Members. My information suggests that issues relating to special educational needs have concerned some organisations; they are worried about how another generation of academies on this model would be able to deliver support. The hon. Member for North West Durham (Pat Glass), who is no longer in her place, made an excellent, reasoned and thoughtful contribution. I might have disagreed with some of her conclusions, but she made a great contribution to the debate and I hope that the Minister will reflect on those concerns in his wind-up.

Some Labour Members have discussed pay and conditions for those working in schools, and that issue concerns me too. In the past, there was a small number of academies and so, just as there was choice for parents, those working in the field of education could choose whether or not to work in the academy set-up. If more and more schools are going to go down the academy route, we have to revisit the issue of exactly what the terms and conditions are and how they are negotiated to ensure that, as the hon. Member for Huddersfield (Mr Sheerman) said, what has been gained is built upon, rather than lost.

Vernon Coaker: The normal way in which somebody pursues concerns is by tabling amendments, and sometimes they are passed. Given the programme motion and the way this Bill is set up, has the hon. Gentleman considered what would happen if he were successful in having his concerns allayed by way of amendments being passed? As there is no Report stage for this Bill, it would appear that that would cause a great deal of problems for his own Whips and those of the coalition Government.

Dan Rogerson: The Minister is an experienced Member of this House and he will have encountered issues on which there have been disagreements between both Houses and things have had to be resolved quickly. Draftspeople have been able to put things together quickly on such occasions and I am sure that if a matter had to be revisited, it could be. It may be that the Minister is able to reassure hon. Members on certain issues without the need for amendments—we will see as our debate progresses and the Bill goes into Committee.

Some hon. Members have raised the concern that the Bill will force everybody down the academy route, but if that were the case, I would not be able to support it. I have talked to those involved in education in my constituency, and I have found that some are prepared to explore this approach. The Secretary of State has said that many hundreds of schools have expressed an interest in this. Some of them may well explore it and choose not to go down the academy route, but others will choose to do so. I am keen to ensure that the Bill makes that choice available, and not only to those professionals. As all good schools do, they will be talking to the communities that they represent and educate, and with which they work, to ensure that if they move in this direction, they carry people with them.

I am also given confidence by the fact that many local authorities do good work in supporting the existing schools. If there is indeed a level playing field and this Bill is not pushing people in a particular direction—I do not believe that that is the Secretary of State's intention—many schools will choose to stay in the current set-up, but they will have the option available to them. Therefore, I can see nothing in the Bill that will lead to the horror stories that some Labour Members have set out by saying that this is a one-way direction of travel and that all schools will take this approach. Hon. Members will have different views and their discussions with the schools in their constituencies will lead them to different conclusions as to whether all the schools in those constituencies will seek to take advantage of these opportunities straight away. I hope that by extending the possibility of academy status to schools that have pushed on towards "outstanding" status, we will provide them with an opportunity. This is certainly not compulsory, and I would not be party to such an approach.

Geraint Davies: Does the hon. Gentleman accept that if all schools became academies, there would not be enough money available? If they did, how would that be different from, for example, the comprehensive system in Wales?

Dan Rogerson: I was seeking to point out that an option would be available for schools to choose. The hon. Gentleman may be saying that people would go down this route only for the money, but I do not think that that is the case. I have looked at the amount of money that some local authorities hold back, so I can say that this proposal would not be hugely beneficial in terms of the services also received for that money. Circumstances differ across the country and schools will take the decision based on their own local circumstances, but I do not think that schools are financially compelled to take this route.

The other concerns that I want to raise—I believe that they were raised in the other place—are to do with standards and the role that Ofsted plays in the education system. Schools—admittedly those that are outstanding, but that does not necessarily mean that all schools achieve that status—would stay there for ever if it were based on the quality of the teaching and leadership. I want to hear a little more from the Minister about how the monitoring of progress and attainment will continue for schools that go down this route.

Although some hon. Members are concerned about how the flexibility in the curriculum might be interpreted, the Bill involves a positive step. In the coalition agreement, both parties had no problem in signing up to the aspiration to free schools from restrictive curricula. I hope that that will allow schools to develop a curriculum that is appropriate to their pupils and to the local circumstances in which they find themselves.

I find myself moving on to the subject of free schools, which is not integral to the academy issue that we have principally been discussing. However, provisions for free schools are in the Bill and the subject will need further scrutiny. I suspect that we will consider those issues in the Committee of the whole House, and I see that hon. Members will want to discuss that. It is an important new aspiration that the Secretary of State has set out, which is also in the coalition agreement. Fundamentally, I hope, whatever options are available, to see a level playing field, and recognition that although these solutions might be appropriate in some parts of the country, in others they will not.

The concept of free schools has perhaps been discussed in the context of some of the larger urban areas, where parents aspire to have a different model of school available to them. In a rural area, such as mine, there might be a different view. However, if there is a move to close a small village school, a group of people who are active in that village might want to consider ways in which they could resurrect the school and do so efficiently and effectively.

To sum up, I hope that over the next few days we will have the opportunity to look in detail at the issues set out in the Bill and that we can answer some of the fears that hon. Members have raised.

6.32 pm

Glenda Jackson (Hampstead and Kilburn) (Lab): The House has been blessed this afternoon that so many contributions have emanated from people who have such experience in matters of education, so it is my choice to lower the tone somewhat drastically.

I have absolutely no doubt in my mind that the Government's proposals are ideologically based. This seems to me to be a harking back to almost two decades ago, when the given text for the Conservative Government was essentially "privatising the world". We have already seen their first incursion into attempting to privatise the NHS and it is clear to me that what is being proposed in this Bill is the first step in, essentially, privatising education. If it does not privatise education in the overt monetary sense, it will certainly revert back to the bad old days of the 11-plus, of a grammar school system and of secondary schools that were much lower than bog-standard. It seems to me that that is what the Government are working for.

For example, my constituency is served by two local authorities—Brent and Camden. Both are looking at a serious shortfall for available school places not only in secondary schools but in junior schools for a variety of reasons, not least the increase in population. Both were savagely disappointed because their schools were taken out of the Building Schools for the Future programme. No one on the Government Benches has been able to give me or any of the head teachers, governors, parents and pupils in Brent and Camden a reason why their schools have been excised—we have been given no economic reasons and certainly no educational reasons.

These local authorities in my constituency are blessed with a multiracial, multi-ethnic society, and it is absurd for the Government to believe that the kind of freedom that they argue will automatically be brought about by the expansion of the academies programme will help some of the most disadvantaged of our children in some of the most disadvantaged areas.

I thought that we had already established in this country that if we truly wish to ensure that disadvantaged areas and disadvantaged children receive the benefits that we expect for our own children—all of us in this Chamber would not accept for our children what it seems to me that the Government intend to impose on other people's children—we must learn the basic lesson that a school alone cannot do it alone, however much money we pour into it, however much we expand it and however much the teachers wish to work there. That is a point that no one has raised, which is also reflected in a sense in the NHS: there are certainly very deprived areas that teachers do not wish to work in. How will we persuade them to go into there? By giving them more money? Apparently not, because this Government are saying that there is absolutely no money anywhere. The same is true as far as the NHS is concerned—there are certain deprived areas in which GPs do not wish to work.

We cannot simply say to one organ of society that it has to be the sole repository of transforming those areas of our society that we wish to see transformed. We already heard a most thoughtful, highly detailed contribution, clearly coming from many years of experience, about the difficulties experienced in some schools by some children with special educational needs. I have seen this for myself within my schools.

Not infrequently, the issues that create behaviour in an individual child in a school have nothing to do with the curriculum, the teachers or the physical environment in which a child finds itself. That child might have to live in seriously substandard housing in very overcrowded conditions. If we are saying that we genuinely want to ensure that every child in our society should have the best of educations, we must look much more widely at the external influences that in many instances could

make it virtually impossible for children to learn, and that is not exclusively to do with the issue of special educational needs.

I am deeply cynical—I frankly and freely admit it—about what the Government are proposing for education. My constituency was Hampstead and Highgate; now, through boundary changes, it is Hampstead and Kilburn, and I can remember distinctly what every single state school in my constituency was like in 1992. Every spare moment that every teacher, every governor, every parent and, not infrequently, the pupils had was engaged in trying to raise money. They were attempting to raise funds to buy basics such as paper, pencils and books for the school library. Not in every school, but in the majority of schools in my constituency at that time the plaster was kept on the walls by the artwork of the pupils and miles and miles of Sellotape affixed by the teachers. Books were unknown as a teaching tool—pupils were lucky if they had a copy of the chapter they were looking at that day. If a computer was found in one of my schools, that was headline news—it was the equivalent of finding the educational holy grail.

Now, the situation in every one of my schools has been transformed beyond recognition. They have been physically improved, the quality of teaching has improved, visitors are tripping over whiteboards and children have computers that they can take home with them. Educational standards were always high because when I was first elected and for many years after that, the local authority was a Labour-controlled local authority and, despite the savage underfunding of year after year of Conservative Government, it always prioritised education. The standards were always high and the schools have always been oversubscribed, but if we go down the road advocated by this Conservative Government, I can see—as others have said tonight—not only a deterioration of educational standards but a serious breakdown in social cohesion.

There is not a single school in my constituency at a junior level where there are fewer than 49 to 53 different languages spoken. I can distinctly remember when I was first elected going with groups of my colleagues, mostly from London I admit, to argue frantically for section 11 money still to be there to assist in the teaching of English as a second language. There are enormous benefits for all our children in what we see in our schools. I recently visited a junior school in my constituency in which, because of the influx of people from the European Union and other parts of the world, the children are now learning Portuguese and Somali. When I was that age, I did not even know that those languages existed. There are huge benefits from that, but the divisive process that the Government are committed to reintroducing will savagely attack all that has been achieved not only on an educational level but in the social cohesion that I, as a London MP, believe is one of the blessings of living in this great capital city. The Government's approach will move us back to the terrible days of the 11-plus, of grammar schools and of children being discounted utterly at the age of 11 if they did not pass the 11-plus.

Andrew Percy: The hon. Lady said that she knew nothing about education, or very little, and, certainly, some of the points she has made are interesting, to be polite. I have read the Bill from start to finish and I have not seen anything in it about expanding selection. Can she tell me where it says anything about that?

Glenda Jackson: I cannot afford the hon. Gentleman the same compliment that he afforded me regarding politeness. It is a pity that he could not listen to me with the attention that I have afforded to his colleagues during the debate, because I did not say that I knew nothing about education. I have completely forgotten the point that he was trying to make, but that is probably just as well. If he really wants me to go back into why I am so suspicious of what the Bill is doing, I shall do so. It is first because of the speed with which the Government are driving the Bill through the House and, secondly, because of the complete lack of consultation on the fundamental and major changes inherent in it. There is an illogicality in that regard, because we have heard much from the Government about their absolute commitment to localism and about enabling local people to make local decisions about what affects their local communities. That is the absolute bedrock of his party's commitment.

Mr Sheerman: How does my hon. Friend square all this with the Prime Minister's speech yesterday, in which he bragged about his commitment to the big society and inclusion?

Glenda Jackson: I must be entirely honest with my hon. Friend: I tend to avoid speeches by the Prime Minister. If you have heard one, you have heard them all. The Government are constantly arguing that localism is all and that local people must make the decisions about housing, the erection of wind farms, jobs and everything else, but on this central and essential issue—the education of all our children—that local dimension is, apparently, thrown out of the window. There is to be no consultation with the people who really matter.

Ben Gummer (Ipswich) (Con): The hon. Lady made that point to the Minister in his introductory remarks and he said that it was up to the headmaster of any school that wishes for academy status to consult the community about it. That is exactly what is happening in one school in my constituency, which was taken into an academy as introduced by Labour Members. It is consulting widely and of its own volition—and very successfully.

Glenda Jackson: With respect to the hon. Gentleman, if I heard the Secretary of State correctly, and if I remember the changes being made by the Bill, it says not that they must, but that they should engage with poorly achieving schools. It is much too broadly drafted for there to be any real input at all—for a high-achieving school to make the widest possible contribution to its local community. I am not saying that high-achieving schools are not doing that already—certainly, academies in some areas do—but what the Government propose will set up a barrier that will be driven, as we all know because we are all human beings who see it all the time, by parents. Schools will be in the position of selecting not pupils but parents, and those parents will be selecting them.

The idea that there is an equivalency in education between the voices of parents simply is not true. A colleague of the hon. Member for Ipswich (Ben Gummer) raised an issue that we all know about—people who have enough money to buy themselves into the catchment area of a school they wish their children to attend. In

[Glenda Jackson]

many instances, that practice excludes the children of people who were born and raised in the area and whose parents and grandparents were born and raised there. That happens a great deal in my constituency.

Madam Deputy Speaker (Dawn Primarolo): Order. I am sorry but the hon. Lady's time is up.

6.45 pm

Mr David Ward (Bradford East) (LD): I cannot see how, when the House is, understandably, trying to rebuild its reputation for various reasons, it will help its good name to rush through such important legislation without full consultation. I cannot believe that that will add to the general view of the House as a place that is worthy to give the deliberation that the Bill deserves.

The Bill is not an emergency measure, but it is leading to what could be a nasty accident. I believe and support the coalition agreement, which says:

"We will give parents, teachers, charities and local communities the chance to set up new schools, as part of our plans to allow new providers to enter the state school system in response to parental demand."

But that does not add to the state school system. Whatever the intention is, the outcome will be a fragmentation and a weakening of the state school system.

It has also been said recently that

"more choice for parents is a quintessentially liberal approach. This is an area where the state needs to back off."

However, as we have heard before in the House, liberty without equality is a name of noble sound but squalid meaning. There is a difference between freedom and a free-for-all. In a free-for-all, invariably, the least articulate, the least organised, the least well represented, the least well-off and the least well educated tend to lose out.

It is important always, in whatever we do, to begin with the end in mind. What are we trying to do with our education system? We want, first, to raise the overall attainment of the young people who go through the system and, secondly, to narrow the gap in attainment in our system. The first issue is one of productivity and getting the most that we can out of the system, whereas the second is very much a political issue about narrowing the gap and seeing the importance, not just to young people but to the nation as a whole, of doing so.

There have been some extremely good contributions from knowledgeable people on both sides of the debate, so there is a danger of my trying to teach people to suck eggs, but let me put the issue in practical terms. There is a difference between things that are simple and things that are easy. To achieve well, a school needs a great head teacher, a great management team and great teachers. Then there are other things that help but that are less crucial, such as adequate resources. What resources are adequate will differ from school to school depending on the community that the school serves. Some schools will need more—hence the pupil premium.

A school's buildings are quite important but not as crucial as some people think. One of my schools, Carlton Bolling college, where I am a governor—one of the schools for which the BSF proposals have been frozen—became an outstanding school not because of its buildings but despite them. It became the first secondary school in Bradford to gain an outstanding Ofsted categorisation because of the things that I have mentioned—a great head teacher, a great management team and great teachers. Schools also need excellent support services such as occupational therapy, educational psychology and speech therapy.

The governing body is less important than many governors believe. A terrific governing body with a poor head teacher will not mean that the school is successful in terms of achievement. A really good head teacher can get by with a governing body that is not so good—just don't tell them.

Geraint Davies: At the end of last week, I was at a school that serves a challenged area in Swansea West. It was clear that the school's relationship with parents, who often do not have a background of high achievement over generations, in building self-esteem for children is a key part of breaking out of intergenerational poverty. Does the hon. Gentleman accept that one key issue is targeting resources on schools that serve challenged areas, rather than just having a free-for-all where middle-class parents grab what little is left of the cake from the Conservative Government?

Mr Ward: Hence the pupil premium. Parental involvement—my next point—is very important too.

There is nothing to stop a school having all the things that I mentioned. It does not have to be a faith school, a maintained school, an academy, a grant-maintained school or a foundation school. A point not previously raised, although I think the hon. Member for Hampstead and Kilburn (Glenda Jackson) touched on it, is that everything that I have mentioned will produce a school with high achievement, but not necessarily a school with high attainment. There is a difference between the two.

As I said, it is simple to determine what makes a successful school, but it is not always easy. Apart from parental involvement, everything that I have talked about relates to school level variables—the school and what it can actually deliver—but pupil level variables determine attainment in the school. We seem to have common agreement about the need for a pupil premium to support schools serving deprived communities, but why not give it a chance in those schools? Is it not premature to look at the structure yet again, before we have seen what the additional funding can do to raise attainment in those schools?

Mr Andrew Turner (Isle of Wight) (Con): Does the hon. Gentleman accept that there are poor schools in good areas and good schools in poor areas? It is much more than the relationship that he has talked about.

Mr Ward: Without doubt there are exceptions to the rule, and we need to learn best practice wherever it resides, but powerful opposing forces work against all schools being in the educational utopia that is described by the ingredients for high achievement. Bradford has 200 schools—special, primary and secondary. We shall not get 200 great head teachers; it will not happen.

Another force working against that utopia is how schools are judged. In most cases, they are judged on attainment, and although we often pay lip service to

contextual value added, that is not how schools are actually evaluated. Because of the system, schools are in competition. They do not like being in competition, but they are in competition over who is recruited to which school.

How can we bring about change in struggling schools? Only with very great difficulty. Some of the measures are impatient, but it requires hard slog in struggling schools to put in place the ingredients required to turn them around. How much simpler to set up a new school with all the ingredients in place, including the great new head teacher. But where will the great new head teachers come from? They will come from other schools, where they may have been needed because those schools served deprived communities. If a teacher gets the same pay—or even, in these new schools, more pay—why on earth would they go in every morning to work in a school serving a deprived community for less money? Teachers' conditions of service need to change if we are to make the most of the pupil premium, so I welcome that flexibility.

More important than anything else in terms of attainment, resources and how a school is judged, is the intake of the school. Why do people want academies? There must be a reason. It is because they think they will get something new. If it is simply about flexibility in the national curriculum, why not give it to all schools? If it is about flexibility in teachers' conditions of service, why not give that to all schools? People want academies—whether or not they admit it—because by one means or another they want to change the intake of the school. If everything was made available for every school, for what reason would they want to set up an academy?

Mr Turner: May I suggest that one other reason might be to get away from the control of the local council? That is why people want academies.

Mr Ward: On local authorities controlling schools, I do not know where the hon. Gentleman has been for the last 20 years. It does not happen now. Money is passported straight to schools. If he has an issue with support services, he should get his councillors to sort it out. The local authority should be providing quality services to schools.

James Morris (Halesowen and Rowley Regis) (Con): Has the hon. Gentleman come across no circumstances where the local authority has acted as a barrier to innovation in a local school?

Mr Ward: I am reliably informed by my hon. Friend the Member for Colchester (Bob Russell) that it happens quite frequently in Essex county council.

Pointing out where there are failings or errors in the system is not to condemn the system but to improve it. One of the reasons I find the measure so difficult to accept is that it ignores the crucial role of the local authority in co-ordination. I have seen no mention of the Every Child Matters agenda in the Bill. The role of the local authority is crucial in places planning, ensuring that admissions are fair and supporting, challenging and monitoring schools. If we put those things in place we shall be on our way to improving our schools.

The final thing that I am worried about has more to do with free schools: within a year, the British National party will have a group of parents applying to set up a school.

6.58 pm

Tristram Hunt (Stoke-on-Trent Central) (Lab): It is a great pleasure to follow the hon. Member for Bradford East (Mr Ward). No doubt we shall be seeing him later.

I want to make a rather basic intervention. Amidst all the language of funding models, burdens of bureaucracy, accountability and pupil premiums, I thought that it would be germane to raise the question of what children might learn under these new school reforms. We are being invited to extend the academy model in one form or another on the specific rationale that those schools raise educational attainment, in particular through a rapidly improving results framework, with almost double the number of A* to C grades at GCSE. At the beginning of the Secretary of State's speech, we heard the litany of schools that are doing so well, and in *The Daily Telegraph* on Friday, the Department for Education repeated the mantra that academies were outstanding. But what are they outstanding at? How have the results improved so markedly?

Although much of the success can be attributed to strong leadership, inspiring teaching, improved facilities and the new ethos of learning that my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) outlined so well, in some cases improved results are the product of directing students into less demanding examination options that in the end improve no one's life chances. We are being asked to implement an educational model whose validity is open to question. Indeed, there should have been an element of scepticism about the academies when they were not subject to freedom of information legislation. With a degree of ease, some academies were able to disguise some of the data behind their results surge.

Andrew Percy: It was not necessarily only academies that went down that route: all kinds of schools throughout the country forced children on to GNVQs and equivalent qualifications to force up their results. It was not unique to academies.

Mr Hunt: As the hon. Gentleman will hear later, the statistics are rather sharp on the difference between academies and the rest of the maintained sector. Moreover, the academies were unwilling to divulge the difference between academic qualifications and academic equivalent qualifications in vocational subjects.

Let us be clear that we are not debating the relative merits of academic versus vocational education. The equivalent qualifications sold as vocational are, in fact, rarely so. Many academy pupils are directed towards what might be described as semi-vocational or semi-academic subjects that do not provide the rigorous technical training that might lead to an apprenticeship but are simply weaker versions of GCSEs, such as BTEC science or OCR national certificates in information and communications technology.

Elizabeth Truss (South West Norfolk) (Con): Did not the Labour Government put in place the Qualifications and Curriculum Development Agency, with its dogma

[Elizabeth Truss]

of equivalence that made those subjects equivalent in the first place and give head teachers the incentives to treat those qualifications equally?

Mr Hunt: Clearly, the hon. Lady has not discovered the new politics. This is not about party political point scoring. *[Interruption.]* As I said at the beginning of my speech, this is about what children learn in our schools, and Government Members would do well to remember that amid their guffawing. Although a BTEC can officially be worth two GCSEs, or an OCR national certificate worth four GCSEs, that equation is not necessarily accepted by further or higher education colleges or other academic institutions, so often the pupil is short-changed even as grade results are inflated.

Andrew Percy: I could not agree with the hon. Gentleman more on that point, but it is important that he understand that, very often, local authorities that controlled schools were forcing them down that route. That will not be allowed to happen if the Bill is passed.

Mr Hunt: Academies are going down that road to raise their league table offering.

Andrew Percy *rose—*

Mr Hunt: If the hon. Gentleman will wait a moment, the statistics that might quiet him will come.

Returning to the academies offer, the important point is that pupils have true options. First, they should have the choice to pursue academic subjects, even if that is to the detriment of the school's results. After all, whose interests are the schools serving, apart from their pupils? Secondly, pupils should not be misled into thinking that undertaking equivalent qualifications will give them the same standing as GCSEs in history, modern languages, geography or the hard sciences; they will not.

The facts are stark. A series of parliamentary questions has shown that academies succeed disproportionately in equivalent qualifications and that academic subjects are in steeper decline in academies than in maintained schools. Just 17% of pupils in academies take geography GCSE, compared with 27% in the maintained sector, and 21% of pupils in academies take history GCSE, compared with 31% in the maintained sector. Whereas only 26% of academy pupils take a modern language, some 44% of maintained pupils do so. A similar story could be told for English literature, where one learns the rudiments of grammar, and for physics, chemistry and biology.

Gavin Barwell (Croydon Central) (Con): The hon. Gentleman is making a good point about the importance of studying academic subjects in our schools. However, in the figures that he quotes, were academies compared with other equivalent schools, with similar catchment areas, or with the whole maintained sector?

Mr Hunt: That is a very good question. It has taken me so long to get the information out of the Department for Education that it relates only to the whole maintained sector. Our next stage is to pursue those questions locally. Of course, as the hon. Gentleman indicates, the data are influenced by the fact that, given the achievement gap in English schools, poorer students are disproportionately entered for equivalent qualifications at GCSE level. Academies, which have served lower-income cohorts to date, have mirrored that scenario, but that is surely the challenge that academies should take up.

We do not want the soft bigotry of low expectations, with academy league tables benefiting at the expense of pupil learning. That two-tier education fails to give some of our poorest communities the education that they deserve. Sadly, certain academies have accentuated that trend. As independent schools, they are exempt from the curriculum and, to date, have not had to reveal the details of their results beyond the basic percentage of their pupils who pass five-plus GCSEs or the equivalent.

I refuse to accept that that trend of teaching is inevitable. In my constituency, the Mitchell business and enterprise college on the Bentilee estate—for which my hon. Friend the Member for Gedling (Vernon Coaker) did so much good work in his time as a Minister and where youth unemployment is high and household income low—continues to offer rigorous academic subjects to all its pupils, not least because that is what business wants. Genuine vocational training requires a solid academic foundation up to the age of 16—a view espoused by employers in vocational areas of work. So it is of great value that amendments passed in the other place now ensure that academies are subject to freedom of information legislation, but there seems little change in the Bill to ensure that as many academies as possible deliver the broad curriculum that provides a stimulating learning environment. In many cases, freedom for academies has produced a narrowing of the curriculum options.

Ben Gummer: I am fascinated by the hon. Gentleman's destruction of the policy supported by Labour Members for so many years. Given his firm disapproval of the independence of academies, I am interested to know whether he would recommend that the school that he attended should submit itself to the authority of the local authority, as he clearly wishes to pursue that line for other schools?

Mr Hunt: To be honest, I did not quite follow the hon. Gentleman's line. The point that was pursued by Labour Members when we were in government is that standards in teaching and academic qualifications matter, and if academies produce league table inflation at the cost of the education of their pupils, that is to no one's benefit. The worry is that, with greater freedoms, there is a narrowing of curriculum options, which is what the statistics have proved.

I have no ideological opposition to academies. In many situations, they are refreshing, innovative and provide the aspirational step change in low-income communities that can transform the life chances of many young people. I am proud of the Labour Government's achievements in that regard, but we need greater transparency. What we need in the Bill is an understanding that there can be no more equivalence at the cost of academic rigour, as that is to the cost of the educational life chances of our young people. That is what we are dealing with. We want a tailoring of the curriculum in many cases, so that teachers have control, and can teach to the needs of young people and pursue vocational and academic topics, but we need clarity, accountability and transparency about these issues.

This is about more than league tables and data sets; it is about studying and learning skills and—dare I say it?—enjoyment. Too many schools and academies are denying that to some of the most disadvantaged communities in the country by not allowing the full academic curriculum. We must not make economic deprivation a licence for intellectual deprivation.

7.9 pm

Gordon Henderson (Sittingbourne and Sheppey) (Con): I am in a somewhat difficult position. I support the general thrust of the Academies Bill, but when I came to this debate I had a couple of specific concerns that would have prevented me from giving the Government unqualified support. However, I am delighted to say that my right hon. Friend the Secretary of State reassured me on at least one of those concerns when he confirmed that schools in a federation can apply for academy status even if one of the schools has been judged outstanding and the other has not. His confirmation will be welcomed by the Westlands school in my constituency, which is in exactly that position.

I still have a second concern, which relates to the financing of academies. I oppose most parts of the Opposition amendment that we are debating, but there is one that rings alarm bells in my mind, and that is the suggestion that the academies programme will

"be funded by scrapping existing school building programmes".

I hope that Ministers can reassure me that that is not the case. That reassurance is important to children and parents on the Isle of Sheppey, which already has an academy, but only in name.

That academy was set up as part of Kent county council's reorganisation of education on the island; last year, there was a change from a three-tier to a two-tier system. There was considerable opposition to that change. However, opponents, of whom I was one, were mollified somewhat by the promise of a £55-million academy. Our academy opened last September, but without one single new brick being laid. Instead, it opened in the ramshackle buildings that previously belonged to Minster college and Cheyne middle school, which are two miles apart. Those buildings are simply not fit for purpose. Last year, the heating trunking in Minster college collapsed and fell between two rows of desks, injuring a number of children. If that trunking had fallen a foot further either way, we could have had a major tragedy on our hands. That cannot be allowed to happen again.

Our academy is now the only secondary school on Sheppey. With almost 2,500 pupils, it is one of the largest schools in the whole country, and without new buildings the academy will not succeed. The Isle of Sheppey academy is part of the review that my right hon. Friend the Secretary of State is undertaking. I very much fear that the country's dire financial position will mean that we will not receive the funding needed, and that the reorganisation of education on the island will be botched, leading to another generation of children being educationally disadvantaged, as the last generation was. I know that the Secretary of State is aware of the unique circumstances facing Sheppey, and I know that he is sympathetic, but I very much hope he can reassure me that the funds intended for its new buildings will not be diverted to help to fund the new academies programme.

7.13 pm

Liz Kendall (Leicester West) (Lab): The Academies Bill raises many issues, but I want to focus my comments on three key questions: will the Bill help pupils and schools with the greatest needs, will it improve outcomes in education, and does it represent the best use of taxpayers' money?

The Government say that their Bill is a continuation or fulfilment of the previous Government's approach, but there is a fundamental and crucial difference that many hon. Members have cited. Labour's academy policy gave extra help and support to struggling schools in deprived areas, and sought to break the link between social and economic disadvantage and low achievement and aspiration, which still damage the lives of too many children, including in my constituency. However, this Government are offering academy status to schools that are already rated outstanding.

The Centre for Economic Performance at the London School of Economics recently analysed the 1,560 schools that have expressed an interest in becoming academies. It found that those schools had very different characteristics from the 203 existing academies. Pupils in the schools that have expressed an interest in becoming academies are less likely to be eligible for free school meals, to have special educational needs, or to come from an ethnic minority, and are more likely to get five good GCSEs. For example, around 30% of pupils in academies are eligible for free school meals, compared with only 9% of pupils in schools that have expressed an interest in becoming an academy and are rated outstanding. Just under 28% of pupils in academies have special educational needs but do not have a statement, compared with around 14% of pupils in schools that have expressed an interest and are rated outstanding. That evidence led the Centre for Economic Performance to conclude that

"the new coalition government's policy on Academy Schools is not, like the previous government's policy, targeted on schools with more disadvantaged pupils. The serious worry that follows is that this will exacerbate already existing educational inequalities."

On the radio this morning, the Secretary of State said that every new academy will help a school that is struggling, but the Government's own impact assessment of the Bill estimates that only a third of new academies are likely to help weaker schools. It also estimates that the cost of providing help to a struggling school will be around £50,000 for each new academy. First, £50,000 is very little money to help a genuinely challenged school. Secondly, it is not clear whether the Government will provide that extra money to help struggling schools, or whether the new academies will have to find the money from their own budgets.

Many schools offer help and support to other schools in their area, but I question whether new academies will voluntarily give their own money to help a struggling school, especially when we are likely to face cuts of 10% to 20% in the education budget. I hope that the Minister of State, Department for Education, the hon. Member for Bognor Regis and Littlehampton (Mr Gibb), in his concluding comments, will say whether every new academy will be required to help a struggling school, as the Secretary of State implied. If so, will the Government provide the extra funding that the help will genuinely cost?

Government Members will, I am sure, argue that the pupil premium will play a key role in helping children in disadvantaged areas. I welcome the pupil premium, and

[Liz Kendall]

I will support it—if it provides resources over and above the extra money that schools already get for deprivation under the existing funding formula, if it focuses on genuinely disadvantaged children, and, crucially, if it is funded without cutting help and support from other programmes that help vulnerable groups. But as yet we have no details about how the pupil premium will work—which pupils it will benefit, how much will be provided, or where the funds will come from.

The final point that I want to make about whether the Bill will support schools that need help most relates to those schools that are neither outstanding nor in special measures, but in the middle—a point made by my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg). There are a substantial number of schools in that category, many of which still need to improve, but the Bill offers them nothing. Labour's national challenge programme supports a range of schools and challenges them to improve or face intervention, including the possibility of being converted into an academy or a national challenge trust school.

A number of schools in my constituency became national challenge trust schools on 1 June this year, and as part of the process they were promised additional funding—for example to employ extra teachers to provide more one-to-one tuition, to support existing teachers in getting new skills, and to work with parents such as those with English as a second language. However, the schools in my constituency have still not received the money they were promised. As a result, at least one of the schools, Babington college, had to cancel its plans to appoint extra teachers in time for the new term in September. I ask the Minister: will national challenge trust schools such as Babington in my constituency get the extra resources that they have been promised, and if so, when?

Let me move on to the second, and arguably most important, issue that I want to address.

Andrew Bridgen (North West Leicestershire) (Con): Does the hon. Lady think it is fair that in her constituency in Leicester, education is valued at £600 a year more per pupil than in my constituency, despite the fact that I have areas of severe deprivation in mine? Surely she will welcome the pupil premium, as it will rectify the problem.

Liz Kendall: I want all children to have the funding that is appropriate to their needs. In my constituency, we have very challenging areas, and we want and need support. I want it for the hon. Gentleman's constituents, too.

On the radio this morning, the Secretary of State said that the Bill will

"transform the educational achievements of pupils in this country."

However, the impact assessment states:

"While there will still be benefits to new academies...these benefits are likely to be much lower given that they"—

the new schools—

"will have less scope for improvement than existing Academies, and will receive less start-up funding."

The Bill also removes the requirement for new academies to have a sponsor or a partner, which we know from the contributions of other Members has been a key factor in improving standards in existing academies and trust schools.

There are also very real concerns that the Bill could have a negative impact on educational outcomes for specific groups of children. My hon. Friend the Member for North West Durham (Pat Glass) highlighted concerns about children with special educational needs, and the Government's equalities impact assessment sets out clear evidence that such children in existing academies are not improving as quickly as those in other schools and may end up doing worse in some situations.

There are also concerns that children with special educational needs in schools that do not become academies could be affected by the Bill. Like existing academies, new academies will receive all their per-pupil funding and their share of funding for local authority-provided services, such as SEN provision, and that could create a shortfall in funding for the remaining local authority-maintained schools, which are more likely to need special educational needs services. I very much welcome the Government's review of special educational needs, but the Bill is likely to have been passed before the review has reported, so I ask the Minister to consider the legislation's impact on other schools and groups of children.

I turn to the evidence on free schools, because some Members have said that the Bill paves the way for them. There has been a huge debate about what the evidence shows, particularly the evidence from Sweden, and the highly respected Institute of Education, which the Secretary of State cited in his speech, recently assessed the data from that country. It found that more free schools were established in urban, affluent and gentrified areas, that the biggest beneficiaries were children from already highly educated families, and that the impact on less well educated and migrant families was "close to zero". Even where Swedish free schools appear to have had a moderately positive impact on the academic performance of better-off children at 15 to 16 years old, the IOE finds that those advantages do not persist by the time children take their high school exit tests aged 18 or 19. They are also no more likely to participate in higher education than those who are schooled in areas without free schools.

We need to consider all sorts of other issues, such as community cohesion, which my hon. Friend the Member for Huddersfield (Mr Sheerman) cited. That is a key issue in a constituency as diverse as mine, but I must move on to my third and final question, about whether the Bill represents the best use of taxpayers' money.

The impact assessment states that the cost of implementation will be £462 million over four years, and the Government say that much of that money is not additional funding, because they will simply transfer to new academy schools the money that would have gone to local authorities. However, there will be additional start-up costs of £68 million as well as the money that new academies will spend if they support weaker schools.

I agree that we need to achieve the best value for taxpayers' money. I therefore hope that the Minister will explain in his closing statement how spending additional money on schools that have more advantaged pupils and are already doing well, and on a policy that is of questionable benefit in terms of improving educational

outcomes and could lead to worse outcomes for children with the greatest needs, provides value for taxpayers' money.

I also ask why Liberal Democrat MPs support a Bill that experts predict will exacerbate inequalities, worsen local accountability and usher in a free market in education. Those Members are risking a great deal, on issues that I know they hold dear, for very little proof of what they will gain in return. For those reasons, I shall oppose the Bill.

7.24 pm

Mr Sam Gyimah (East Surrey) (Con): I thank the hon. Member for Leicester West (Liz Kendall) for her thoughtful remarks, but she has already fallen into the trap that Tony Blair, the former Prime Minister and Labour party leader, identified on 24 October 2005, when he said:

"the system will finally be opened up to real parent power... Parts of the left will say we are privatising public services and giving too much to the middle class... both criticisms are wrong and simply a version of the old 'levelling down' mentality that kept us in opposition for so long."

Having listened to the right hon. Member for Morley and Outwood (Ed Balls), I am afraid to say that he demonstrated the sort of leadership that he would offer Opposition Members if they voted him in as leader of their party. He would take them to the left and be totally off the pace on the important debates and issues in this country.

It was particularly mean-spirited of the right hon. Gentleman to cast doubt on our motives for reforming the education system. He said that Labour wanted the best for all but we wanted a two-tier system. Unfortunately, as my hon. Friend the Member for Bristol North West (Charlotte Leslie) reminded us, we already have a two-tier system, which people access either by paying for it or by moving to the right area. If we look at all educational attainment, we find that after 13 years of Labour promising education, education, education, that two-tier system is entrenched. What is terrible is that, once someone gets into it, there is no way of getting out, and that is why we want to create a system that opens up opportunity for all.

The Opposition say that, because we will fast-track some schools that have done very well, that will unfortunately be at the expense of other schools. First, however, every school will be able to apply to become an academy. Secondly, those that do apply will have to include in their application how they will help schools doing less well than themselves. So it is totally specious to keep harping on about the idea that, because some schools are going to be fast-tracked, we care only about those schools.

The right hon. Gentleman also said that the Bill is deeply divisive and undermines social cohesion. Now I do not know about other Members, but I do not think that uniformity is the same as social cohesion. I do not know whether he wants schools that are uniformly bad or uniformly good, but I know what Government Members are striving for. No one can say that the current system delivers the educational attainment that our country needs, and, although the right hon. Gentleman talked about the Bill being deeply divisive, he did not address the fact that schools will not be able to change their admissions procedures once they become academies. So there is no chance of a school applying to become an academy and then, further down the line, introducing selection. He glossed over that point so that he could go over the old dividing lines as he sees them.

The right hon. Gentleman spent a lot of time on capital spending and Building Schools for the Future. He has been going on about it for two weeks, and, like the attack dog that he is, he kept on going on about it today. However, the choice that we face is not about whether we need shiny buildings for people to learn in, but about whether the education that we provide for kids is good enough for them in terms of attainment, so that they have confidence in their future. That is what the Opposition has been lacking.

The issue is about good teaching, discipline, educational attainment and, above all, confidence. The skills that we give kids must provide them with a chance, a hope, so that when they leave school, they know that they will be able to pursue the path that they choose. The hon. Member for Stoke-on-Trent Central (Tristram Hunt) said that the issue is not about databases or datasets, and I agree. It is about having the right ethos and educational standards and allowing the professionals to determine them.

My hon. Friend the Member for Beverley and Holderness (Mr Stuart) and the hon. Member for Liverpool, West Derby (Stephen Twigg) said that we should veer away from changing structures because the issue is about enabling individuals to flourish. However, individuals operate within a structure, and the enterprising head teachers who want to control budgets, decide how they pay their teachers, determine their curriculum and engage with their students differently cannot do so under the current structure. That is why we need a fundamental change in our structures. A parent today who really wants to change something in their school has no chance of doing so by writing to the local authority. Under the new structure they will have a better chance, because they can exercise quasi-commercial pressure on the school, and that is a good thing.

We also need leadership, and for teachers to know that the buck stops with them, not with the county council or with Government policy, to deliver the right education for the students in their school. If they fail to do that somewhere further down the line, they will find that parents vote with their feet. That is right to encourage higher attainment and standards to be driven through our education system, and to arrest the decline that the Secretary of State identified.

Having said all that, I will be the first to acknowledge that the proposed system is not perfect. It is not prescriptive, and there is no getting away from the fact that for it to work, we need to ensure that a lot of the vested interests work with us, whether those are local authorities, civil servants, unions or teachers. A number of teachers liked the grant-maintained system but then found it abolished in 1998 after a new Government came in, so they are nervous. We need to do everything we can to give them confidence that the freedoms that we seek to give them this time are real, and will allow teachers, head teachers and parents who have a vision to implement that vision and ensure that we have higher educational attainment. That is what education should be about—not shiny new buildings, not some argument that we are going to punish the poor, but ensuring that we get better attainment. That is what I got from my education, and what I think we all got, and it is what we have to drive through our system.

7.31 pm

Shabana Mahmood (Birmingham, Ladywood) (Lab): I am grateful, Madam Deputy Speaker, for the opportunity to add my voice to this important debate about the future of our education system. Good education, available to all, is the foundation stone of our society, which is why it arouses such passion in all parts of the House, as we have heard in all today's speeches.

The Bill is intended to change the education system as we know it, and has been presented in a manner that has deliberately prevented wide debate, discussion and consultation. Rather than leading to greater social justice, it will deliver only social segregation. For those reasons, I oppose it.

The first problem is the way in which the debate has come before the House. I am a new Member and still learning the ways and methods of the House, but it was with alarm and shock that I found that the only other legislation that had been passed through the House with such speed and lack of debate was anti-terror legislation, which is understandable, and the Dangerous Dogs Act 1991, which is hardly an example that we should all seek to follow. I have to ask whether that is what the so-called new politics is all about—employing such speed and lack of debate to bring about legislation that will fundamentally alter the way in which education, that most enabling of public services, is delivered. The Bill should be given proper scrutiny and there should be a proper opportunity for widespread consultation with the general public, parents and stakeholders.

I suggest that the reason why the Bill has come before us in this way is that the coalition Government know that it will not stand up to scrutiny, which is why they will not allow it. They know that they have used the previous Labour Government's academies programme as a way to sell their version of academies, which are something entirely different—so different that they should not be called the same thing. The Labour academies programme was about social justice, whereas the Bill is about the free market.

The focus of our programme was to target areas of disadvantage and inequality, to seek to ensure that all pupils, regardless of their socio-economic background, had access to high-quality education. The Bill has no such focus, as shown by the fact that under the current policy, schools that are considered outstanding by Ofsted are to be pre-approved. Grammar schools will also be allowed to become academies, something expressly prevented by the Labour Government. That can lead only to social segregation, not social justice.

The Government would have us all believe that they are progressives now, and that the Liberal Democrat partners in the coalition have an influence in government that is bringing a progressive dimension to their collective policies. I ask the Lib Dems to examine the Bill, recognise that it allows for an expansion of selection and ask themselves what on earth is progressive about that.

It is perverse also that a school that is already deemed outstanding will get a chance to become better. Surely that move by the Secretary of State, more than anything else, gives away his true motive for the Bill. If it were about driving up standards and improving the quality of education that our children receive, he would have made express mention of those matters in the Bill and would not have pre-approved already outstanding schools.

Gavin Barwell: The hon. Lady is repeating the line that the shadow Secretary of State started with, which is that the Bill is a perversion of Labour's academy policy. However, the then Prime Minister Tony Blair said on 24 October 2005:

"We want every school to be able quickly and easily to become a self-governing independent…school."

How is that inconsistent with the Bill?

Shabana Mahmood: Tony Blair is no longer the leader of my party, and I was elected in May 2010. Although I agree with much of what he did when he was Prime Minister and leader of our great party, I do not agree with all of what he said and did. That was not the point that I was making, however, which was about the Bill and the fact that it focuses on pre-approving outstanding schools. That gives away what it is all about—creating a two-tier system.

Gavin Barwell *rose—*

Shabana Mahmood: I wish to make some progress.

In any case, the fact that so many schools are currently outstanding shows that excellence is alive and well in the maintained system and that there is no need to move towards the free schools model.

One of the freedoms that the Bill promises new academies and free schools is freedom from local authority control. I have to ask where is the evidence that a system that is entirely independent, with schools free to do as they please, is more effective than what we have at the moment. Under Labour, academies were successful because disadvantaged schools were given the opportunity for a fresh start and a clear focus, with a dedicated commitment to making them better. In many ways they were more Government-controlled, rather than being free.

Furthermore, I thought that the new politics was all about engaging with the public and including them in the decisions that are made, especially at local level. Well, many people see education as one of their major public services, and they would expect to be able to monitor, control and hold to account that service through their elected local authority. To break that link through the apparatus of the state is profoundly undemocratic and should be rejected.

New academies and free schools are also promised freedom from the national curriculum. I agree entirely with the right hon. Member for Yeovil (Mr Laws), who stated on "Newsnight" on 10 March this year that that was one of the "dottiest" aspects of Tory education policy. If only such frankness about it were to be found now on his party's Benches. On the same programme, the present Secretary of State said about the national curriculum:

"I think it is important that we have a piece of infrastructure in the public realm which people can admire and which they can use as a benchmark but which we can depart from where appropriate".

That shows a fundamental misunderstanding. The national curriculum determines what our children learn to equip them—each and every one, bar none—to make their way in the world, especially the world of work. It is about passing on knowledge from one generation to another, which is an important part of the make-up of our society. To allow some schools to opt out and determine what our kids learn according to the whims of a particular head teacher or governing body is, indeed, dotty.

Mr Gyimah: That happens already—it is what happens in private schools, and people pay for them. What is wrong with allowing teachers to decide what is best for the kids in their school, and why cannot people in the state sector have that?

Shabana Mahmood: Because it is important for the state sector to set out the way in which we believe our children should be taught. There should be a minimum standard and a minimum curriculum so that children all get the same level and type of education, no matter what background they are from or what their social class is. That must not have an impact on what they learn at school.

I am also deeply concerned that the duty to consult on the part of those wishing to set up an academy or a free school is extremely weak. There was not one at all to begin with, but the one that has been inserted since the debate in the House of Lords is still too flexible and therefore weak. There must be a full and meaningful consultation on the initial application with parents, teachers, children, other staff, the local authority and others. Schools are the heart of local communities. The inadequate provisions for consultation will sever that link and must be tightened up.

I conclude by drawing the attention of the House to a recent Ipsos MORI poll, which showed that 95% of people wanted a good local school under the control of the local authority. There is no need to spend millions of pounds on creating an entirely new structure when a good regime for schools exists and has delivered rising standards year on year, especially where that new structure will lead to greater social segregation.

What makes a difference to standards is the quality of teaching in a school. I was lucky enough to have some fantastic teachers, and I am convinced that whatever educational successes I have enjoyed were down to their hard work and encouragement. Changing a school's structural status does not mean that someone has waved a magic wand and that teaching and learning will automatically improve. Instead, as a result of the Bill, we will move to a two-tier system, and systemic unfairness will be built into our education provision. We will all be worse off for it.

7.40 pm

Elizabeth Truss (South West Norfolk) (Con): The hon. Member for Birmingham, Ladywood (Shabana Mahmood) mentioned speed and several other hon. Members have referred to impatience. Yes, we are impatient because we have had 13 years of failed education policies, which have not delivered for the poorest in our society. Education spending per pupil doubled from 1997 to 2009, yet the trajectory of improvement in GCSE results has not changed since the mid-1990s. According to the international league tables of the OECD's Programme for International Student Assessment—PISA—we still have a massive difference between the top and bottom achievers.

Lisa Nandy (Wigan) (Lab): Does the hon. Lady accept that one of the reasons why so many Labour Members feel strongly about the speed with which the Bill is going through is, as my hon. Friend the Member for Birmingham, Ladywood (Shabana Mahmood) said, that schools are the heart of communities and, unless they are consulted, the heart will be ripped out of them and children will be let down in the process?

Elizabeth Truss: I care about pupils in the schools and whether they achieve what they need to and should achieve. They have been let down by 13 years of failed policies. I shall outline exactly why they have been let down, why teachers are not empowered to teach in the way they see fit and why the teaching profession has been denigrated.

Shabana Mahmood: Does the hon. Lady accept that there is a difference between having a policy, wanting to get it on the statute book as quickly as possible and feeling passionately about it—I have no doubt that she feels passionately about it—and bypassing proper scrutiny in a Bill Committee and giving people outside and in the House time to scrutinise it fully and ascertain its impact?

Elizabeth Truss: I thought that what is happening today and later this week was scrutiny—though not very much, looking at the Opposition Benches.

Whatever some Labour Members have said, the Bill is a continuation of one of the previous Labour Government's successful policies, which allowed a few schools to become academies. We have therefore seen such a policy work. However, the vast majority of the money that the previous Government spent was not spent wisely. The money for academies was the small proportion that was spent wisely, but we experienced a huge increase in centralisation and bureaucracy under the previous Government. A vast array of quangos was set up—for example, the Qualifications and Curriculum Development Agency; Ofqual; the British Educational Communications and Technology Agency; Partnerships for Schools, and Every Child Matters. A whole series of strategies and interventions took place.

Shabana Mahmood: Will the hon. Lady give way?

Elizabeth Truss: No, I want to continue with my point, and I have already given way to the hon. Lady.

Every strategy dictated to teachers what they should do. That took away decision making from the teaching profession and teachers' ability to lead the class in the way they saw fit. The curriculum became increasingly prescriptive, with bodies such as the QCDA and Ofqual devising examinations that were more modulised and standardised. Instead of encouraging every child to learn and develop a love of a subject and educating each child's mind, teachers were encouraged to teach to the test. Labour Members proclaim results as improvements, but much of that was to do with the fact that, as the hon. Member for Stoke-on-Trent Central (Tristram Hunt) said, teachers were rewarded on results.

Guy Opperman (Hexham) (Con): Does my hon. Friend agree that Labour Members have gone—[HON. MEMBERS: "They've gone."] Indeed, they have gone—there are but five left. Does my hon. Friend agree that they have gone from being anti-Tory in 1997 to a Blairite conversion, which they now disdain, to all talking Balls?

Elizabeth Truss: My hon. Friend makes a good point. However, the Opposition seem confused. One Labour Member has argued for more academic qualifications while others have said that the qualifications that the Labour Government introduced were fantastic. They

[Elizabeth Truss]

cannot agree. They have not come up with a consistent approach to our proposed legislation. The principle of autonomy has been heavily road tested and proved successful in the small minority of schools in which it has been implemented. The previous Government should have set up more academies, but instead, they competed in all the centralising tendencies, on which the previous Education Secretary was particularly keen.

The teaching unions have also been involved in centralising the system. In 2003, there were agreements between the teaching unions and the Government about how teachers operate in the classroom, how their lessons are covered, and what preparation and assessment work they do. There are such practices in no other job. There has been a vast increase in teaching assistants and cover supervisors. That is not to say that I am against those people, but decisions should be up to head teachers and not governed by a weight of paperwork from Whitehall.

There was glimmer of light—several hon. Members on these Benches have referred to the former Prime Minister, Mr Tony Blair—with the academies programme. Yet the academies were a trickle rather than a flood. We had only 200 schools out of a total of 3,000 that could have become academies. In 2007, when the right hon. Member for Morley and Outwood (Ed Balls) took over as Secretary of State for Education, rather than openly oppose the academies programme, he made it increasingly difficult for schools to become academies and restricted the arrangements for, for example, the curriculum. Those arrangements were made much tighter.

Mr Ward: As I tried to say in my speech, if the freedoms—staffing, curriculum, release from all the paperwork and so on—are so useful, why do we not extend them to every maintained school? Why is structure important? The main improvements that took place through the national challenge did not require a change in structure. An individual interim executive board in a school that is in special measures turns a school round without a change in structure. Why are hon. Members so obsessed with structure?

Elizabeth Truss: I think the answer is that there are so many national regulations. I am concerned about that rather than local authorities, which have often been put under pressure by the national Government. For example, I referred to the 2003 terms and conditions agreement between the teaching unions and the Government. Schools need the ability to make decisions, to have agreements between teachers and head teachers and to make their own work force arrangements. I would like more schools to take up the opportunity offered—it is the way forward. I think that it empowers teachers, who often enjoy their jobs more. I have visited several academies, and teachers' excitement, engagement and motivation are visible.

The opportunity provided by the fact that we will have more schools than the 200-odd we have at the moment will attract more people into the profession. Interestingly, someone asked whether the teaching unions could become involved in academies. Rather than being a roadblock to reform, it would be helpful if the teaching unions supported academies. That would bring huge benefits to teachers. We would probably see better rewards for teachers in the long term, and we would certainly see more professional autonomy for them and a greater respect and esteem for the profession, which would be helpful for the unions in the long term.

I urge Ministers not to heed the calls to slow down—I am sure that they will not—because we have waited long enough for academy schools that serve not just a few people. I applaud existing academies, but the children in our country who do not go to them have waited long enough for a good education. The Opposition are complacent about our education. We are not succeeding; we are failing internationally. There is a huge gap between the attainment of top students and low-achieving students. The Conservatives' motivation is to close that gap, and I urge the Government to carry on.

7.51 pm

Lisa Nandy (Wigan) (Lab): I thank the hon. Member for South West Norfolk (Elizabeth Truss). She certainly enlivened the debate, but I could not disagree with her more. I should like to put on record my opposition both to the Bill and to the speed with which it is being rushed through the House, which we have discussed.

The Bill aims to break up the local authority family, leaving schools free to go it alone in competition with one another. As many of my hon. Friends have said, the Bill is entirely different from the academies legislation that Labour introduced. Some of us had reservations about those measures, but some of us were strongly supportive of them. The Bill contains no requirement for schools to consult their local authority before they choose to convert to academy status. For that reason, I share the view of the many teachers, governors and parents from my constituency who have lobbied me and who believe that the absence of that requirement will lead to chaos.

For that as much as anything else, the Bill warrants further consideration by the House. I remind Government Members that the Bill is about children out in the real world, in places such as Wigan, and the opportunities that they will be given or denied as a result. The Bill deserves more scrutiny than the Government are prepared to give it. I am angry on behalf of those children that that is being denied.

Mr Gyimah: Will the hon. Lady give way?

Lisa Nandy: I think we have heard enough from the hon. Gentleman.

We heard a great deal from those on the Treasury Bench about the supposed benefits of the Bill, but the question the Government ought to ask themselves is not, "What are the benefits?" but, "Who will lose out as a result of this legislation?" I can answer that last question, but only in part because of the lack of scrutiny that they are prepared to give the Bill. I can tell the Government and the House that primarily, children in schools that are not academies will lose out. The pool of funding that local authorities have to meet central costs will be reduced. That is not in doubt, but we do not yet know how many schools will convert to academy status, and therefore how dramatic that shortfall in funding will be.

We heard very powerfully from my hon. Friend the Member for North West Durham (Pat Glass) about the impact of the Bill on children with special educational

needs. I cannot believe that Members of this House are prepared to walk through the Division Lobby to vote for this Bill knowing the impact that it will have on some of the most vulnerable children in this society. Government Members fail to understand that freedom for one group of children can represent a loss of freedom for others. I have not heard that recognised by Government Members, and I would like to.

Gavin Barwell: Is the hon. Lady aware that academies receive none of the council funding for SEN administration, assessment or co-ordination?

Lisa Nandy: I thank the hon. Gentleman for his remarks, but they do not change at all the point I was making or that many of my hon. Friends have made.

The principle behind the Bill is what most concerns me. It takes no account of the impact on other schools. Competition cannot be the right approach when it creates winners and losers among children. I am not prepared to see children in Wigan lose out as a result of the Bill. My question to those who are prepared to support the measure is this: which children would they like to lose out as a result? Ministers say that academies will be required to work with another school, but how will that help the latter compensate for the loss of funding that the Bill represents? Funding is not the only thing that enables schools to succeed—on that I think we all agree—but it is important and it can be a lifeline.

A range of critics have lined up to agree with me and other hon. Members. They have pointed out that for all the schools that are enabled to do well by the Bill, and that will have more money and greater independence, life will be made more difficult for other schools. Children in schools that are not rated outstanding tend to be the most disadvantaged. That is clear from the statistics provided to me by the Department for Education just a few weeks ago, which show that children in outstanding primary and secondary schools are significantly less likely than children in schools with other ratings to be in receipt of free school meals.

My concern is for the children in my constituency who have lost their child trust funds in the past few weeks. They will now not come into contact with children from less deprived backgrounds, because Sure Start eligibility is to be tightened. They could lose the chance to go to university under forthcoming proposals, and they are now asked to fend for themselves in a competitive system in which they will have very little chance of breaking through. Surely that deserves more scrutiny from the House and outside.

If, as we have heard, the point is to hand power back to schools, why not ask those who make schools what they are? Unison points out that there has been no consultation with those affected—whether parents, teachers, children or the wider community. If the aim is to trust professionals on the front line, where is the consultation with them? Our outstanding school in Wigan—Rose Bridge high school—has agreed to consult parents and staff as a condition of any decision it might make, because Rose Bridge is a responsible school that cares about the wider school community and children throughout the borough, and that understands that the public service ethos of working together for the benefit of all children is what underpins the strength of our education system.

Mr Graham Stuart: The hon. Lady makes a powerful case. None the less, in the past 13 years, we have seen the gap between rich and poor, and the lead that independent schools have over state schools, widen. Labour policies failed in 13 years in government. I know she will be a very thoughtful and good member of my Committee, but what positive prescriptions can we use to make up for the failures of the past 13 years?

Lisa Nandy: I do not in any sense accept the hon. Gentleman's point, distinguished though he is as the newly elected Chair of the Education Committee. I certainly do not hope to upset him at this juncture, having just been elected to that Committee. I worked for the past five years with some of the most disadvantaged children in this country at the Children's Society, and I can tell him that the Bill will not help at all; it will hinder. I do not accept his characterisation of how the education system has worked for those children in the past 13 years. I hope he is satisfied with that, because I have given my word to my constituents that I will raise their concerns in the House, because they cannot get a hearing directly with the Minister.

It is therefore important for those schools that might opt for academy status to understand what they and the children they represent might lose. I have looked closely at the proposals—such as they are—and it is clear that the Education Secretary is replacing democratic local control with direct control of new academies. That is not devolution of power, but centralisation, and we have heard what that could mean for local schools.

The role of the New Schools Network has been touched on only very briefly so far in the debate. The NSN has been given the contract to advise schools on becoming academies. I have asked a number of questions of the Education Secretary about the NSN, and it merits further attention. It was established in December 2009 and appears to be run by former advisers to him. It was recently awarded a £500,000 contract, but I cannot get clarity on how that came to be awarded. It is incredibly important that we understand how that happened and the role of the NSN, because that goes to the heart of whether people can have confidence in the system that he proposes and the underlying motives behind it.

I also wish to sound another note of caution for schools that may be considering opting for academy status. The Department has offered £25,000 to schools for start-up costs, but acknowledges that they will be more than that, and that schools are expected to contribute. As a school governor, I am aware that those costs can be enormous. The NUT says that it knows of schools that converted to trust status and had to spend more than £75,000 to do so. It is no wonder that in the many briefings that I was sent before this debate so many concerns were expressed by such a diverse range of groups. It is also why this Bill merits further consideration in this House and outside before it becomes law.

I do not believe, on the basis of what has been produced so far, that the measures in the Bill will do anything other than create greater social segregation, in which those who can afford to may do better, but will do so under the state system with subsidy from the state. I am appalled by that prospect and I have given my word to the parents, staff, governors and children in Wigan that I will oppose it all the way.

8.1 pm

Gavin Barwell (Croydon Central) (Con): The main issue before us in the Bill is whether we should have more independent state schools. I wish to consider the international evidence, the national evidence and a local example from my constituency.

Internationally, the charter schools in New York have narrowed the rich-poor achievement gap by 86% in maths and 66% in English, thus addressing the point made by the hon. Member for Wigan (Lisa Nandy) about who would benefit from these reforms. In particular, the Harlem children's zone charters have completely closed the black-white achievement gap at both elementary and middle school level. My constituency in south London has a very diverse population and I am very conscious of how many black boys have been let down by our education system in the past. I accept that the proposals are not a panacea and that there are counter-examples, but the evidence from New York is very encouraging.

At national level, a study by PricewaterhouseCoopers found that the average annual increase in GCSE five A*-C passes was twice as quick in academies as in equivalent schools in the maintained sector.

In my constituency, I have the example of Ashburton school. The previous Labour administration of Croydon council rebuilt the school, but that had failed to solve the problem of low performance. I give credit to the previous Government for providing the funding to rebuild the school. The Conservative administration that took over the council in 2006 decided to close the school and replace it with a new academy. My Labour opponent at the general election opposed that decision, calling Ashburton "a good community school", despite the facts that fewer than 13% of pupils achieved five A*-C passes including English and maths, that hardly any local parents chose to send their children to the school and that the behaviour of the children on their way to and from school was a massive issue in the local community.

The new Oasis academy, Shirley Park, opened in September. Under the inspirational leadership of its head, Glen Denham, there is already a marked difference in the attitudes of the local community towards pupils at the school. Last year, 94 parents chose that school as their first preference, but this year it was 142. We wait to see this summer what the GCSE results will show, but the most powerful case for the school is made by talking to the pupils. I guess all Members visit schools in their constituencies, and one of the most positive signs is when the head teacher allows you to go around the school with pupils and no staff present. I heard from the pupils themselves what they think of the school. They told me clearly that, under the previous regime, there were no boundaries, that discipline was incredibly poor and that it was impossible to learn. Now they have clear boundaries, supportive teachers and the school has been transformed.

Selsdon high school in my constituency is to become an academy in September. It was caught up in the Building Schools for the Future announcement, because it was due to get funding for a rebuild, but it is one of those schools that Ministers are now considering. I shall not say any more because I have spoken to the Minister and he is aware of the issues at stake.

Why do academies make a difference? The presumption by some hon. Members is that the issue is money, but the principle is solely that academies should get their share of what the council is spending on central services. In actual fact, two main factors drive improvement. In relation to the academies set up by the previous Government, in which underperforming schools were taken over, what made the difference was the change in perception of that school in the local community, the chance for a fresh start and the bringing in of new management. However, head teachers in my constituency tell me that freedoms are also part of it, not so much freedom from the council—the only freedom from the council is having the chance to spend money that it now spends on the school's behalf—but freedom from central Government control on pay and conditions, curriculum, term dates and lesson length.

I have given examples of what my local council is doing, but sadly not all councils are as progressive as the Conservative administration in Croydon. One crucial element of the Bill, therefore, is the removal of the monopoly on setting up new schools from local authorities. In our country, thousands of parents are told every year that the inn is full—that the schools they want to send their children to do not have any places, and they must either send them to a school they do not want to send them to or educate them at home. That is unacceptable.

The shadow Secretary of State quoted Professor David Wood's findings about a potential new school in Kirklees. Professor Wood said that a new school would

"have a negative impact on other schools in the area in the form of surplus places".

I find it incredible that the shadow Secretary of State does not seem to understand that unless the system has some surplus places, there is no choice for parents. It is inevitable that some parents will have to send their children to a school that they do not want to send them to.

Labour Members seem to think that the Government are talking about giving these freedoms only to outstanding schools. In fact, the Bill is about allowing all schools to apply for academy status. Outstanding schools will not require a sponsor, so they can be fast-tracked, but all schools will have that freedom. Will the Minister give some idea of the timescale for other schools? In my area, Coloma convent, Archbishop Tenison's and Wolsey infant school are all outstanding and have expressed an interest. Other schools, such as Shirley high and St Mary's, are not rated outstanding, but have also expressed interest.

Mr Gibb: I may be able to help my hon. Friend by saying that the fast-track process is to enable schools to be ready to open as academies from this September, but other schools can open beyond that in November, January, April or September next year. The fast track is just about this September.

Gavin Barwell: That is a helpful clarification and answers some of the points that have been made by Labour Members suggesting a bias in favour of outstanding schools.

The shadow Secretary of State tried to give the impression that the entire system of state education was being ripped up. If he really believed that, it is strange that we have not seen more Labour Members in the Chamber during this debate. He tried to claim that the Bill was a perversion of the Labour party's approach to academies. In an earlier intervention, I cited remarks by Tony Blair on 24 October 2005, when he said:

"We want every school to be able quickly and easily to become a self-governing independent…school".

What the Government are doing may be a departure from what the previous Secretary of State was doing, but it certainly is not a departure from what the Labour Government under Tony Blair were planning to do. Indeed, the Government are fulfilling the promise that he made.

The shadow Secretary of State's main objection was that the proposals would create a two-tier system, but some of my hon. Friends have already made the point that that is what we have at the moment. Some schools are academies and some are not. If parents have the money to move into the catchment area of a good school, their children will get a good education. If parents are locked into a particular area by lack of money, they have to put up with the school in that area. There is huge so-called social segregation in our schools. One school has just 4.2% of families on income-related benefits, but at the other end of the spectrum there are schools with nearly 70% of families on income-related benefits.

The shadow Secretary of State claimed that the Bill would widen the gap—that somehow allowing outstanding, good and satisfactory schools to get better is a bad thing. That is the classic Labour argument of trying to hold the good down in order to narrow the gap. Surely what we should do is try to get everybody to improve. The Secretary of State confirmed that these schools will partner with a good school, and that is an important element. I would not want a free-for-all. I want to see schools collaborating and working together. Even when it comes to outstanding or good schools, there are too many parents who do not have confidence in those schools and choose to move out of the area or to the independent sector, and we want those schools to improve. We want parents to have confidence in their local schools, but they can have concerns even about some of the schools that we class as good or outstanding. The Government's policy on the pupil premium should give schools an incentive to take pupils from disadvantaged backgrounds.

My final point in response to Labour Members is that they seem to lack confidence in the teachers and parents of children from deprived areas. In my experience, the vast majority of teachers are motivated by the desire to help the least well-off kids. Rather than hearing a lot of publicity about parents setting up these new free schools, I hope that we will see teacher groups going into some of my most deprived communities and using this legislation to drive up standards in those areas.

Ben Gummer: On free schools, is it not the case that Sweden has a couple of thousand people in the independent sector, while here the figure for children in the independent sector is a rather shameful 7%? Surely a good result of the free school policy would be to bring that number down and bring more people back into the state sector.

Gavin Barwell: I agree with my hon. Friend.

I should like to address a couple of questions to the Minister. First, the hon. Member for Stoke-on-Trent Central (Tristram Hunt), who has now left the Chamber, made some good points about the importance of academic qualifications, although they were rather at odds with the record of the Labour Government. I understand that the Government have now accepted an amendment in the Lords to ensure that academies are counted as public bodies under freedom of information legislation. I believe that there is an issue in relation to the impact on local councils. May we have more clarity on what areas of council spending will not be devolved down to academies?

The Secretary of State spoke earlier about the role of local authorities. My own council often finds itself defending schools that are not performing particularly well. I would much rather that local authorities were the champion of parents in their area and stood up for higher standards, rather than making the case for schools that were underperforming.

On consultation, we do not want a bureaucratic arrangement that is going to slow the process down. Like my hon. Friend the Member for South West Norfolk (Elizabeth Truss), I am keen to see progress made quickly. However, it is important to have consultation, and not just with parents in the school in question. When we try to change things in schools, we often find that the existing parents might have one view, while parents in the community around the school who are unhappy with the school might have a completely different one.

The Bill places before us this fundamental question: what is the best way to raise standards in our schools? I particularly admired the comments of the hon. Member for Huddersfield (Mr Sheerman), the former Chairman of the Select Committee. In complete contrast to the shadow Secretary of State's political speech, he recognised that Members on both sides of the House have a passion for driving up education standards, and that we simply disagree about the best way to do it. That is a reasonable disagreement that should be aired and debated in the Chamber, and we should not imply that some people simply do not care about the issue.

The fundamental question is what is the best way to raise school standards. The previous Government believed that the best way was by driving standards from the top down. Indeed, in the debate in the other place, Opposition Members were clear that the improvements made by academies were the result of their getting all the Government attention. They almost suggested that it was the Department for Education that was responsible for those improvements.

Our belief is that the best way to drive up standards is to allow a choice of schools. There should be some surplus places to allow people to choose, and we must give schools freedom so that they can differentiate and offer parents different things. Different children might well benefit from different styles of education. We should empower parents in that way and give them that choice. That bottom-up approach is the way to drive up standards, not the top-down approach of the previous Government. It is with great pleasure that I speak in favour of the Bill, which I believe will make a profound difference to parents and children across our country.

8.13 pm

Mr David Lammy (Tottenham) (Lab): It is a pleasure to follow my London colleague, the hon. Member for Croydon Central (Gavin Barwell), who has some very strong schools in his constituency. I am also pleased to follow my hon. Friend the Member for Wigan (Lisa Nandy), who made an excellent speech.

I hope that Members on both sides of the House agree that the street in which someone was born should not determine their educational achievement. Success is always at the heart of educational discussion in the House and, for most communities, success has five

[Mr David Lammy]

ingredients. One is of course education. The second is employment, as a result, I hope, of that education. The third is a culture of aspiration. The fourth is parenting, and, for those without parents or who have problematic parents, there will be youth workers in loco parentis and others in the voluntary sector in the community coming alongside. The fifth is community. I hope that, when we think about the role of local education authorities in the debate tonight, we will acknowledge that all those ingredients can come together to make a difference. This is not just about the schools but about the youth services provided alongside the school that the local authority is in charge of delivering. It is not just about the status or structure of a school, or whether it is an academy or not, but about how we reach into communities, lift aspiration and ensure that all young people can achieve their dreams.

Against that backdrop, the fact that just 14% of the young people in my constituency were getting five good GCSEs when we came to power in 1997 can only be described as despairing, decaying and, to some extent, the road to doom. That meant that 86% were getting fewer than that. We were sending more young people to prison than to university, and that was replicated in some of the most deprived constituencies in the country. We should reflect deeply on that when we talk about the importance of education to life outcomes.

The nature of our debates on education over the years reveals a preoccupation with structure. For my party, following the Butler Act in 1944, much of that preoccupation consisted of our deep hostility to grammar schools and our desire for a comprehensive system in which all young people would be of equal worth, and would have comprehensive access to quality education across the country. Some Conservative Members—perhaps because of their proximity to independent schools—seem to suggest that the state system should be freed and given the ability to innovate, to replicate the arrangements in the independent sector. References have been made to the changes that we have made in governing bodies, as well as to grant-maintained status and direct control. That is all about structure.

The great achievement of the Labour Government over the past 13 years was—yes, of course—to make some changes to the structure and to introduce academies, but particularly to have an eye on quality and standards, and to get into the classroom, and to be alongside teachers and head teachers in driving up quality. One Conservative Member disparaged classroom assistants, but they serve to provide two or three adults in a classroom to help to drive up those standards. Excellence in schools was about developing pedagogy, particularly to drive up standards for those who had been consistently left behind. Over the years, we have debated the challenges that exist for white, disaffected communities and, as the hon. Member for Croydon Central pointed out, for black boys, in order to drive those standards up. We were engaged in those schools, and the figure of 14% in my constituency that I mentioned earlier is today 66%. That is what we have achieved. It means that when I served as the Minister for Higher Education, I served in a constituency where we had seen not just a small rise in young people going to university, but one of almost 100% in constituents going to university, and in young people making their way to apprenticeships.

That is hugely important, as these are the very same families who, as we think back to the 1980s, had parents or older brothers and sisters streamed off to do the CSE exam—one in which they could not achieve their best in the way others doing GCE O-levels could. That left its mark—one that we have often attempted to correct with our emphasis on basic skills, numeracy, literacy, unionlearn, and the community response to education as well. It is not just about structure; it is absolutely about standards.

Standards were at the heart of our drive on academies, concentrating our efforts. There were 188 of them, many of them failing schools in the most deprived areas, and we were giving them a fresh start, renewing them with new buildings. Yes, we gave the new leadership of those schools the freedom to innovate. It was, I think, the emphasis on standards that saw the advances made. Academies were, of course, largely based in inner-city areas. A large proportion of them—27%—served black and ethnic minority communities. There was real innovation in the system.

My concern is the hostility from the Government side to local education authorities. I ask why they are so hostile to our means of pooling resources, bringing them alongside schools, giving them specialist advice, helping them organise admissions and so forth. Local education authorities were set up in 1902 by the Conservatives, and they have served us well. The Bill that we are voting on tonight will pave the way the break-up of local authorities over time.

What will we now say to the schools left behind as schools scramble to get academy status? Let us not pretend that this is not about money. The Department for Education website shows that this is about money because it helps schools model how much more of it they would make. And why primary schools? What evidence is there that primary schools, particularly single-form entry primary schools, are even equipped to take on this extra load?

On that basis, we challenge this new system, which will disperse the efforts and advances made by academies, and we question much that has been said. I am very concerned about the equality impact assessment of the new scheme. We are already seeing in the academies that girls are not making advances, that ethnic minorities are not—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order.

8.23 pm

Mr Dominic Raab (Esher and Walton) (Con): It is fair to say that we all agree on the need to drive up standards in our schools because education is a vital public good in its own right, because it is critical for Britain to compete in the global economy, and because it is the key to social mobility—the linchpin of a fair society.

This Bill is unusual in that it builds on innovation in schools policy that dates back 25 years at least—from the ground-breaking city technology colleges introduced under the Conservative Administration through to Tony Blair's academy reforms. It would be remiss not to pay tribute to the contributions made from all sides of the House to our starting point today.

On the Government side, however, we are restless to go further because the drive for higher standards hit a roadblock under the last Government, which left 40% of primary school pupils falling short of basic standards in reading, writing, maths and science; half the children on free school meals leaving primary school without basic English and maths; and half of all pupils unable to achieve five good GCSEs.

No one can reasonably suggest that no progress has been made in recent years, but neither can anyone seriously claim to be satisfied when between 2000 and 2006—the Education Secretary has already made the point, but it is worth repeating—15-year-olds in this country fell down the OECD international rankings: from eighth to 24th in maths, from seventh to 17th in reading, and with a similar decline in science.

This Bill seeks to resuscitate the drive for excellence in our schools. It is based on certain core convictions, such as the belief that pluralism and competition are a powerful motor to drive up standards. In 2009, as already mentioned, academies saw GCSE results increase at double the national average rate. We also have a belief in innovation—yes, trial and error—because we think it must overcome the dogma that demands that no school may thrive unless all schools always progress at precisely the same speed, which is a recipe for stagnation in standards of teaching. Ofsted's last annual report illustrates the point: of 30 academies, 17—more than half—were outstanding or good, while only five were inadequate. We want to boost standards in the five, not hold back the 17.

This Bill delivers on these principles by giving schools the freedom to innovate: freedom to set staff pay, to reward high performers and to attract the best talent; freedom to tailor the curriculum and the length of the school day to the teaching needs of children, not Whitehall targets; and the freedom to attract sponsors who, as the National Audit Office found last year, can bring high-quality expertise and experience and build partnerships between schools and business. As the Sutton Trust report in 2008 highlighted, the freedom given to academies has

"led to instances of visionary leadership".

The Bill addresses, head on, legitimate concerns about the impact on children most in need. The pupil premium for disadvantaged children will ensure that we invest most where it is needed most. I recognise other legitimate concerns that have been raised—for example, about the standards of maths and English in some academies, given their level and degree of specialisation. We must ensure that all children get to grips with basic numeracy and literacy—the gateway to any further learning.

We must also ensure that the implementation arrangements learn the lessons from the cost overruns previously associated with the building of some of the previous academies. So, too, we must build on the positive findings by PricewaterhouseCoopers and the Sutton Trust—that flexible collaboration between academies, local authorities, schools and universities helps to drive performance. Such collaboration, along with the pupil premium, should address another concern—that academies might lead to a two-tier system of education.

I also draw attention to existing anomalies in relation to funding for our schools. I hope the Secretary of State will review the schools funding formula to make it more transparent and I hope we can all agree across the Chamber to ensure that it reflects an objective assessment of real need. The Education Secretary will know from the "Hidden Surrey" report that Surrey—yes, leafy Surrey—has seven wards with double the national average level of child poverty. It was neglected by the last Government's arbitrary deprivation indices. That is just one example of the politicisation of local funding. There are many more in other parts of the country, and I hope that Ministers will address them.

Clause 5, and the arrangements that accompany the Bill, deal with a further issue, that of accountability. No school can become an academy without consultation and a resolution by the governors. The idea that parasitic sponsors can sideline all the parents and all the teachers is an over-peddled myth. The truth is that the real risk to our schools and the real threat to our children come not from putting parents, teachers and community groups in charge of our children's schooling, but from the overweening, over-regulating, overbearing intrusions of an increasingly arbitrary and arrogant state bureaucracy built up by the last Government.

In their March report, Policy Exchange and the New Schools Network convincingly argued the case for less state interference, highlighting in particular the warping effect of Ofsted's non-educational priorities. Nothing better illustrates the perverse political correctness in the higher echelons of the current educational bureaucracy than the suggestion by the outgoing chair of Ofsted that every school needs a useless teacher, so that children can learn how to tolerate incompetence and "play" authority. Nothing better illustrates the arrogance of state authority than the rules that forced a school in Dulwich to report Oliver and Gillian Schonrock to social services because they wanted their children to cycle a one-mile route to school—a route that they deem safe, and a routine that they believe will instil a much stronger sense of personal responsibility in their children.

This nonsense has gone on for far too long. We must free our children, teachers and parents from the suffocating straitjacket of state control. The Bill is just the first legislative step in the right direction. I hope that modernisers in all parties in the House will come together to clear away the vested interests blocking change, take this once-in-a-generation opportunity to deliver the reform agenda that stalled under the last Government, and secure the reforms that can drive educational excellence and benefit all our schools throughout the country.

8.31 pm

Yasmin Qureshi (Bolton South East) (Lab): When I was selected as the parliamentary candidate for my constituency, the editor of the *Manchester Evening News* described me as a dyed-in-the-wool socialist. He was being complimentary, and I took it as a compliment. That is my starting point.

I believe in education that is free for everyone. I do not believe in selection criteria. I do not believe in a system that says, "You can come in, but someone else can't." I do not believe in a system that says, "If you have a certain level of education or qualification, such as particular skills in maths or English, you can come to our school, but otherwise—sorry, we don't want you." I believe that all schools should take kids of all abilities, because that is the only way to bring about real levelling and equality in society.

[Yasmin Qureshi]

People here sometimes talk of the golden age of grammar schools, and reminisce about how brilliant those schools were. Let me give an example of someone who would have been completely lost if the grammar school system had been all that we had. In Watford, where I grew up, we had some very good comprehensive schools thanks to a Labour Government. Only one grammar school was left. If selection criteria had been applied, I would have been shunted off to one of the old-fashioned sink schools where no one had a chance to go to university, and pupils were expected to leave school at 15 or 16 and work as a shop assistant or in a factory. There were no real expectations of them. That did not happen to me, however. I went to a comprehensive school, I took my A-levels, went to university and qualified as a barrister. I can honestly say that if we had not had comprehensive schools I would have been thrown on the scrapheap, notwithstanding all those golden reminiscences about grammar schools.

Let us get real. Why should we have selection at all? Given that all these schools are state schools, paid for by the taxpayers—you, me and everyone else—why should they be able to act in such a way? People should be able to send their children to schools that are as near as possible to their homes, with good equipment, good teachers and good resources, and they should all be good schools. Members may think that that is utopia, but it may be something we can work towards. Many schools have improved since Labour came to office in 1997. The Labour Government put real money into helping schools. They enabled existing schools to be refurbished and new schools to be built, and provided schools with classroom assistants and extra teachers.

A Conservative Member said that our record of educational achievement had worsened. That is not true. According to all the statistics throughout the country, more people now leave school with five GCSEs, and higher grades than in 1997. That is a record of which a former Labour Government can be proud, and I find it annoying when Members seem to forget the real educational advances that were made under that Government.

When my party introduced academies, I was one of those who was not very happy about it, as I preferred all schools to be looked after by the state and the local education authority. I was convinced by that move, however, when it became clear that the less well-performing schools were going to have the chance to get some extra funding so they could improve their educational level. For that reason alone, I was willing to support that academies measure. I want to make it clear, however, that my Labour Government spent a lot of money on education.

This Academies Bill is ideologically driven. The best-performing schools will not even have to bother to do anything; they can just go through the process and get academy status. We are told that we do not have enough money to build schools. Schools in my constituency that were going to be refurbished and rebuilt have had those plans cancelled because, they are told, there is no money for them, even though those cancellations will cost my council about £9 million, yet most of the schools that will become academies will have to go through a process that will cost them money.

We are trying to save money in that way, yet at the same time we are saying, "No, it's fine if you want to become exclusive schools and exclude people because you want to maintain your so-called high standards; we are not interested in that." Therefore, those schools have the freedom to do that. That is not fair, and I think all Members on both sides of the House should be concerned about this elitist attitude—the attitude that says, "We must have these excellent schools which only a few excellent people can attend."

Let me give an example to explain why we need mixed-ability schools. A junior school in Kilburn was considered to be not so well performing, but then a lot of middle-class professional people started sending their children to that school, and years down the road it was found that the performance of the school had gone up. That is what happens such when parents become involved in ordinary schools—in what might be considered sink schools or less well-performing schools. When parents from different backgrounds are involved in schools, standards rise even though there are mixed-ability children.

The issue of standards is what this debate should always be about. We all talk about wanting to look after our children, yet all we hear about is exclusivity; all we hear is, "We want better schools to get better." There is no mention in the Bill that there should perhaps be some kind of admissions criteria that allow, let us say, 50% of children in these schools to come from ordinary schools—those that are not performing so well. The Bill does not say that, and everybody knows that when we have a selective system the brightest children get taken on and that cycle continues.

Paul Uppal (Wolverhampton South West) (Con): The hon. Lady is making a passionate speech, as did the right hon. Member for Tottenham (Mr Lammy), who spoke very personally, and the hon. Member for Wigan (Lisa Nandy). There are no doubts about the passion and the validity of the emotion in their speeches. It is important that I make the point that I myself went to a state school. I did allude to that. When I was in primary school, I was in a remedial class because the assumption was that I could not speak English, but the important point I want to make is—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. The hon. Gentleman must ask a question. His intervention is not a chance to make a speech.

Paul Uppal: Thank you for your guidance, Mr Deputy Speaker, and I will do so. I want to make a point about the selection issue, which the hon. Lady raised. Why do we go on about selection? Selection in this modern day, when our children are competing with graduates from India and China, is linked to the importance of the pursuit of excellence and aspiration. That is absolutely crucial if we are to succeed, and—

Mr Deputy Speaker: Order. I call Yasmin Qureshi.

Yasmin Qureshi: Thank you, Mr Deputy Speaker. The hon. Gentleman says that I was talking about selection. If the teachers are teaching well and the pupils are responding well, children of all abilities can be taught in one school. There will obviously be some children who do very well academically, while others

may not do quite so well. However, children who are perhaps academically poor initially will have a chance to catch up. Because they are in a good school with children of mixed abilities, they will have a chance to get better.

Bill Esterson: There is a lot of evidence to show that areas that still have selection actually have poorer standards and results than those with a completely comprehensive system. I wonder whether that makes the point that my hon. Friend is trying to make.

Yasmin Qureshi: I thank my hon. Friend for that helpful intervention. Yes, that is what I am saying, and I have seen it across the country.

Perhaps such a view is unfashionable in this day and age, when everything is about selection and performance, but we are forgetting the ordinary children from ordinary families. Do they not have the right to be with "the very bright child" in a school that provides excellent educational facilities? Why cannot the poor child from Farnworth or from the Newbury estate in my constituency go to a school attended by children from Chorley New road, a posh part of the constituency? We need everybody to be together. Children from less well-off backgrounds, whose home lives might make it difficult for them to perform well academically, need to be in schools where they can get help and where everyone's standards are raised. I know that this is an old-fashioned way of thinking—or perhaps it is not, but it is not the conventional thinking now. I find it surprising that everybody is sleepwalking into and justifying this system of selection.

Julian Smith (Skipton and Ripon) (Con): Does the hon. Lady understand that the coalition Government are not proposing to expand selection, as the Bill makes clear? I have three excellent selective schools in my constituency—the hon. Lady is now not listening to me. Does she propose that these schools be disbanded and all the fantastic opportunities that are there for those children be lost?

Yasmin Qureshi: Clause 6(4) of the Bill states:

"For this purpose a school is a 'selective school' if its admission arrangements make provision for selection of pupils by ability, and...its admission arrangements are permitted to do so by section 100 of SSFA 1998".

What is that? It is selection.

Julian Smith: If the hon. Lady looks at the clause in more detail, she will see that there is no chance of expanding selection. The point is that there are some good selective schools, which are being allowed to continue, but the Government are not expanding selection.

Yasmin Qureshi: The Bill enables the very good school to fast-track into becoming an academy, and it does not say that there has to be proper consultation with the local authority or with the people in the community who use the school. If it is not a question of the very good schools wanting to become more selective, why would they want to go for an academy system? We are told that the Government are not putting any further money into the academies—

Mr Raab: I wonder whether the hon. Lady has had an opportunity to read clause 5, which makes clear the consultation provisions that she is, I think, hoping for.

Yasmin Qureshi: The Bill does not say, however, that 50% of the children coming into such a school must consist of children of all abilities. We will still have academies and schools selecting according to ability, and my point is that we should not.

It might be a controversial idea and an unpalatable one to many people in the House, but it is not that strange: why should children from all backgrounds not go to the same school? Why can we not have mixed-ability classes? The record across the country shows that schools containing children with a mix of ability and with different social backgrounds do better, and that schools that are not performing so well start to do better in these circumstances because everyone is working for things together. Instead everybody wants to create these "excellent" schools, which have "pushy parents"—I am sure that my saying that will be held against me—who obviously want the best for their children. That is fine and I understand that they want the best for their children, but why does everybody forget about the other—

Mr Deputy Speaker: Order. I call Robert Buckland.

8.45 pm

Mr Robert Buckland (South Swindon) (Con): I yield to nobody in my admiration for the hon. Member for Bolton South East (Yasmin Qureshi) and for the passion with which she makes her argument. I think her argument, if it was based on an analysis of the Bill, was that clause 6 should be removed and that no existing schools that select according to ability should be allowed to become academies. She made a passionate speech, but it was based on the fundamental misconception that the Bill is, in some way, all about enshrining selection as the way forward and selection on ability as the lodestar for academies. That is wrong and it is a fundamental misreading of clause 6, which refers to "pre-existing" selective schools being allowed to apply to become academies. Therefore, with the greatest respect to the hon. Lady, I say that she misses the point.

I welcome the Bill in general. I particularly welcome the amendments accepted by the Government in the other place and those resulting from debate there, especially the ones relating to the provision for children and young people who have special educational needs. I should declare my interest as a parent of a child with SEN. The amendments in the other place were the result of considered debate and of contributions by Members in that place from all parties and none. The amendments were an important part of the process by which the Bill has matured as a result of debate, so it would be wrong to say that the Bill comes to the Floor of this House without having had any thought, consideration or detailed debate, or indeed any consideration by the Government. I am glad to say that they have listened to the quality of that debate and taken appropriate action.

That has been particularly important in respect of clause 1, because I was concerned by the original provision that was drafted on special needs, which described how children with varying needs would be catered for. That has now gone and the current provisions incorporate

[Mr Robert Buckland]

part 4 of the 1996 Act, which fully satisfies those of us who were concerned about a lack of parity in the funding for children with SEN at maintained schools and those at academies. That important amendment solves that problem.

The other good news was the amendment made to clause 2 to incorporate subsections (5) and (6), which make it obligatory for local authorities to set aside an amount of money to spend on services for academy pupils with "low incidence" SEN. In other words, the provisions create a class of expenditure in the non-schools education budget for low incidence SEN. That is very important when considering the provision of resources and places. I am thinking, for example, of units for children and young people with a range of particular needs.

Tom Blenkinsop: On resources and the payment of salaries in supporting SEN students, how is the coalition proposing that we deal with the supply and salaries of tutors of, and special needs advisers on, language therapy, when primary care trusts are being proposed for closure?

Mr Buckland: The hon. Gentleman makes an important point. My belief is that the pooling of resources will still occur in LEAs, and it is my belief that commissioning GPs will want to take a similar approach when it comes to the local provision of speech and language therapies. That subject is very close to my heart—I know that it is close to the hon. Gentleman's, too—and I shall be watching very carefully to ensure that we do not throw the baby out with the bath water when it comes to the important provision and support that speech and language therapists provide to children with special educational needs.

The nub of it is that as a result of the amendments, many of the concerns held by those of us who are interested in the provision for special educational needs have been allayed. However, one or two matters remain to be addressed, particularly the ongoing duty on local authorities to provide a statement of special educational needs, wherever a child goes to school and whatever type of school they go to, and to adhere to the requirements of that statement. Sometimes, unfortunately, problems arise. All Members will have had parents come to them with such problems—I certainly have, both in my capacity as a Member of this House and as a school governor in a former life.

As I have said, a problem can arise when a school does not, for whatever reason, follow the requirements of a statement of special educational needs. We all know that there is a statutory requirement to do so, but how do we enforce that requirement? What will happen in an academy? Will the local authority require the academy to live up to the provision set out in the statement? Questions on those important details still need to be answered.

Thomas Docherty (Dunfermline and West Fife) (Lab): The hon. Gentleman clearly has a great passion for this subject. Will he outline for the benefit of the House who he thinks should be responsible for ensuring that statements are adhered to?

Mr Buckland: First and foremost, I think that the governing body must always have that responsibility. We already have examples of previous practice in foundation schools, which were the creation of the previous Labour Government in the School Standards and Framework Act 1998. The hon. Gentleman will probably agree that there have been a number of cases where governing bodies, for whatever reason, have not had the wherewithal to respond to a parental complaint about a lack of provision. It has been very difficult for parents to know precisely where to go to get that help. The answer must be clear, and I am confident that in the course of the debate in Committee we can address that issue.

What about children who do not have full statements but who are perhaps under the provisions of school action or school action plus? Their position is somewhat more difficult because they do not enjoy the advantage of statutory protection or statutory force when it comes to the implementation of their school plan. When a school is breaching the SEN code of practice in relation to those children, where will those parents go for redress? The governing body, as I said in response to the intervention made by the hon. Member for Dunfermline and West Fife (Thomas Docherty) a moment ago, would be the first port of call but, again, I would welcome some clarity on that point. The basis of accountability comes in the form of the contract that will exist between academies and the LEA, but, as I have said, that point needs some clarification.

Further clarity is required should there be a dispute over the admission of a child with SEN or a child on school action or school action plus. The new model funding agreement for admissions to academies is clear and I welcome it, but I would go further and suggest that we will need some more detail on the time frame within which admission disputes between parents and schools should be resolved.

Paul Farrelly (Newcastle-under-Lyme) (Lab): If more and more schools are to be encouraged to opt out of local education authority control, would it be his preference that in due course they should eventually gain control of their own admissions procedures?

Mr Buckland: As I have said, I think that the principle of selection has not been part of the argument when it comes to academies. It is not about selection, and that is why I made my earlier observations about the hon. Member for Bolton South East. This is all about excellence, and the Bill strikes the right balance on admissions and the criteria for admissions procedures.

Owen Smith (Pontypridd) (Lab): I know that the hon. Gentleman is very interested in this subject and that it is very close to his heart. Is he not at all worried that the greater degree of autonomy that academies will exercise will inevitably make it much easier for selection, whether overt or covert, to take place? That might well have a detrimental effect on the education of precisely the children he is worried about.

Mr Buckland: No, I am not worried, because I see nothing in the Bill to give me cause for suspicion or concern about selection by the back or front door. I reject the Labour party's suggestion that this is some sort of ideological drive by the Government. It is not

about ideology. I am probably one of the least ideological members of my party and I would not stand here and support some ideological fancy. This is all about excellence and driving up standards. It is all about trusting schools, teachers and professionals to get on with the job that we rightly pay them to do so well.

Bill Esterson: Will the hon. Gentleman give way?

Mr Buckland: I will not take any more interventions as my time is fast running out. Let me make some brief points about the governance of foundation schools. The Bill is rightly silent as to the form and style of governing bodies for academies, but I would welcome some discussion of the nature of school governance in modern schools. It is a demanding task for volunteer governors to undertake. Many of them work very hard to monitor the work of the schools that they are involved with and to scrutinise the work of head teachers and the senior leadership team, but I wonder whether the current model of governing bodies and periodic committee meetings works as well as it could. Perhaps we should consider having a more strategic structure with a small number of governors working on a day-to-day basis with the head teacher and SLT, and a much wider pool of talent being involved in a range of tasks within the school. That could involve as many members of the community as possible, whether they are parents or interested local persons. There is work to be done on the quality and nature of school governance in relation to academy, maintained and other schools.

In supporting the Bill and commending its Second Reading, I hope that I have in some way contributed to a very sensitive and important area of this debate—the needs of the children who do not enjoy the advantages that others enjoy and who deserve, as the Prime Minister said in response to a question that I asked him two weeks ago, all the love and support we can give.

8.58 pm

Bill Esterson (Sefton Central) (Lab): The hon. Member for South Swindon (Mr Buckland) talked about the children who do not enjoy the advantages that others enjoy, but surely the legislation that the Government propose does precisely the opposite of what he claims. Surely, the future of our children and their education is too important to be the subject of rushed, poorly considered and flawed legislation, but that is what is on offer from the Tory-Lib Dem coalition. It is clear from the comments of hon. Members, including those of the hon. Gentleman about the so-called consultation process, that there are fundamental flaws. What is consultative about a governing body being able to make a decision without talking to parents or the wider community? How is that proper consultation, democracy or anything other than the kind of top-down approach that Members on the Government Benches have criticised the previous Government for?

The Bill is being rushed, and rushed legislation has led to many mistakes in the past. In this case, any mistakes will be paid for by the many vulnerable children in this country whose life chances I fear will suffer. The Bill helps outstanding schools, which, by definition, are already doing well and are in the least need of extra support. The Bill diverts the Labour Government's academies scheme from improving the weakest schools to helping the strongest at the expense of the majority of other schools—expense for the many to the benefit of the few. Hardly progressive politics.

It is almost unprecedented to rush through such major public service reform, with just a few weeks between publication of the Bill and its passage into the statute book. Such methods are commonly used only to pass emergency terrorism legislation. Parliament will have no real chance to scrutinise the detail of the proposals.

Stephen Pound: In the short time my hon. Friend has been in the House he has won a reputation for having a forensic mind. In keeping with the point he has just made, may I draw his attention to clause 10(1)? It contains an utterly extraordinary statement, but I am sure my hon. Friend can enlighten the House as to its true meaning:

"Before entering into Academy arrangements with the Secretary of State in relation to an additional school, a person must consult such persons as the person thinks appropriate."

That strikes me as meaning having a chat with the caretaker at best and chaos at worst. What does my hon. Friend think?

Bill Esterson: I am grateful to my hon. Friend. As always, he hits the nail bang on the head. I interpreted those words as providing the opportunity to have a conversation with oneself, which would certainly fit the Bill. We are talking about inadequate legislation and my hon. Friend has identified one of the best examples of that lack of adequacy.

It is a pity that the hon. Member for Southport (Dr Pugh) has left the Chamber, because the head teacher of Churchtown primary school in Southport said that the consultation was a shambles. He, like head teachers from Sefton, recently attended some of the consultation meetings held by the Government. The feedback was that there was no information, no one was able to answer their questions and there was no opportunity to find out what the whole academy and free school programme was about. It does not inspire confidence when head teachers make such observations.

Parents' groups and private companies will be able to open new schools with funding from the taxpayer, even where there are already sufficient places. They will take pupils from existing schools, where funding will be cut and education will suffer for the majority left behind. New buildings will be created for many free schools by using the money saved by cancelling new buildings for existing schools. In Sefton Central that means Chesterfield high school and Crosby high school, which is a special school due to be co-located with Chesterfield high school. It was an opportunity to integrate the pupils of a special school with pupils at a mainstream school and was welcomed and supported by parents, teachers and pupils. That opportunity has been taken away.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): My hon. Friend mentioned that two schools were to be co-located to produce a better educational facility for the pupils of both schools. There is a similar situation in several areas in my constituency. Local authorities may have been relying on a capital receipt from the sale of one site but that site could now be made available for a free school, so does my hon. Friend share my concern that that would throw into doubt the entire reorganisation of education in my constituency, and perhaps in his?

Bill Esterson: My hon. Friend makes an excellent point. In Sefton, we could have the same problem. Money that would have been available to the authority for capital projects for other schools and for educational purposes will now not be available. One of the major weaknesses of the Bill is that a bribe is being offered to the schools that go first. A bribe to outstanding schools that need that opportunity least will mean less money left behind, both capital and revenue funding, for schools that do not have the opportunity because they are not outstanding.

Mr Stewart Jackson (Peterborough) (Con): Will the hon. Gentleman give way?

Bill Esterson: I have already given way twice.

Over £1 million has been committed in Sefton in progressing its Building Schools for the Future projects and £161 million nationally—money that cannot now be recovered, so that is hardly the way to cut the deficit. Free schools will be funded in other ways. With cuts in the area-based grant, the Nurture Base in Sefton will close, although it provides 10 places for children aged between four and seven, so that they can receive the support that children with behavioural difficulties need to return to mainstream school. That is part of a £2.5 million cut in Sefton that will allow outstanding schools to become academies. There is no provision in the legislation for behavioural support of the kind available in Sefton, so that is now being cut.

Another way in which the academies and free schools are being funded is from the primary capital programme, which is under review and clearly headed for a cut.

Mr Stewart Jackson: Will the hon. Gentleman give way?

Bill Esterson: No, I am not giving way.

Aintree Davenhill primary school has had its first phase built, but the second phase has been halted. Many of the children at that school face the prospect of continuing their education in second world war sheds, freezing in the winter and baking hot in the summer. The school faces uncertainty at best and continued appalling conditions at worst. Why? To pay for the political dogma of the governing parties.

Andrew Stephenson (Pendle) (Con): Will the hon. Gentleman give way?

Bill Esterson: No, I am not giving way.

I was concerned to hear that the review of previously agreed projects extends to the previous Government's academy programme. In the Medway towns, three academies were approved by the former Secretary of State, with the support of the former School Standards Minister and his predecessors. They had to make up for the failings of Tory-run Medway council, where the children's services department had failed to address the long-term problems of underperforming schools, largely caused by the 11-plus and the selective system there, which contributes in no small measure to the fact that the secondary modern schools have high numbers of children with special educational needs that are not resourced properly.

Three academies are being built: Strood academy opened last September, and the Chatham and Gillingham academies open this September. In all three, the buildings are not fit for purpose. Strood and Chatham academies will open on two sites each, as they each replace two previous schools. All three academies serve deprived areas that need significant financial support. If their funding is withdrawn in favour of outstanding schools, as in the Government's proposal, it will be one of the best examples—or worst examples, depending on someone's viewpoint—of how the Bill will sacrifice those who are most in need of help in favour of those who need it least. I am glad that the hon. Member for Gillingham and Rainham (Rehman Chishti) is now in the Chamber to hear about the disgraceful way that the Government are failing his constituents.

Rehman Chishti (Gillingham and Rainham) (Con): Will the hon. Gentleman give way?

Bill Esterson: I will not get any more time if I give way, so I am not going to.

Meanwhile, as Barnet Tory council made savage cuts to schools and the rest of the public sector, its members voted for a £20,000 a year increase in the allowances for Tory cabinet members. They declared that poverty was an emotive word and that all people needed was aspiration. Barnet is the "easyCouncil"—the no-frills council—except when it comes to its Tory cabinet members.

Rehman Chishti: Will the hon. Gentleman give way?

Bill Esterson: No, I am not giving way.

By cutting the Building Schools for the Future and the primary capital programmes and the area-based grants, the Tories are saying, "If you come from a deprived area or from a struggling school, we're not going to support you. We will only support those schools that need it least." Jack Stopforth of Liverpool chamber commerce commented:

> "It's all very well to talk about short-term savings for the public purse, but the long-term implications for the education base of our children and the future skills base and the effect on the private sector supply chain is profound."

When people in that sort of position make such comments, it is time that Government Members considered the damage that the legislation will do. They should reconsider it.

9.9 pm

Stephen Lloyd (Eastbourne) (LD): I have had the privilege and pleasure of sitting here for a good number of hours listening to the arguments of Members on both sides of the Chamber. One speech in particular struck home—that of the right hon. Member for Tottenham (Mr Lammy); I am sorry that he has left the Chamber. He made a moving, passionate speech about education in his constituency. I wrote down a particular line; I think he said that when Labour came to government, 13% or 16% of his constituents went to university, and a higher number went to prison, which I thought was a telling tale.

Stephen Pound: On a point of information, the reason my right hon. Friend the Member for Tottenham (Mr Lammy) is not in his place is that today is his birthday, and his presence was required elsewhere.

Stephen Lloyd: I thank the hon. Gentleman; I appreciate that information. In that case, I am particularly glad that I complimented the right hon. Member for Tottenham on his speech, which I thought was strong.

I should also like to compliment the Labour party. Any fair-minded person would accept that in the past 13 years, considerable investment went into education, and there were improvements to schools in my constituency, for which I am grateful. That, in a sense, is the positive side to what happened over the past 13 years under the Labour party. I am disappointed that a lot of what I have heard today from Labour Members is indignation about the coalition Government's plans for academies. To be perfectly frank, at the election, it was clear from the Conservative manifesto what the plan was. Given the coalition Government's position, there cannot be any surprise at the idea that they will deliver what they promised, so I am a little puzzled.

Paul Farrelly: Before the hon. Gentleman gets to the substance of his speech, I point out that I voted against plenty of Labour programme motions in the past two Parliaments when I thought that Bills needed more consideration. Funnily enough, I always found the No Lobby heaving with Liberal Democrats. Does he agree that any Liberal Democrats who tonight vote for the programme motion have, in very short order, given up on the basic principles of proper scrutiny, and have in effect become mere nodding dogs on the Tory bandwagon?

Stephen Lloyd: No, I do not agree at all. In a sense, the hon. Gentleman's intervention backs up my point about what I see as the flipside of the Labour party. On the one hand, it brought about a lot of good things in education when it was in government. On the flipside, there also came a lot of nonsensical things. It was an absolute disgrace that six months before the general election, the former Secretary of State went around promising that billions of pounds, or certainly a multimillion-pound sum, would be spent on schools, when he knew that the money was not in the kitty.

I particularly want to talk about the coalition Government's commitment to a pupil premium. Last week, I had the privilege of attending a year 6 production at Shinewater school in my constituency. It serves an area with a large number of disadvantaged families and students. Despite that, the school has tremendous esprit de corps. I believe that it has been told that it has got an "outstanding" from Ofsted. The school is a perfect example of what will happen with the pupil premium, to which I know that the Secretary of State is committed. It will result in further tens of thousands of pounds being invested in schools such as Shinewater. That is the sort of money that will make the difference for people and youngsters in my constituency—the difference that the right hon. Member for Tottenham described so powerfully when talking about his constituency.

I received a commitment from the Secretary of State for Education three weeks or so ago. He said that he was absolutely committed to putting £2.3 billion or £2.5 billion into the pupil premium. I look forward to the coalition Government and the Secretary of State delivering on that promise; I am confident that he will. I am very aware that education is the silver bullet. Education is the route out of poverty, and that is why so many of us feel so passionately about the matter.

Tom Blenkinsop: Will the hon. Gentleman give way?

Stephen Lloyd: No, I shall not. I have almost finished.

The pupil premium is directly targeted at those disadvantaged students who need it most, and I am absolutely delighted that the coalition Government are committed to delivering it. I look forward to reading that commitment when I see the detail of the Bill, and I am absolutely confident that, for the youngsters from Shinewater school and for others from similarly disadvantaged backgrounds in my constituency, the pupil premium will make a considerable difference and give them a real opportunity. I look forward to seeing the detail of the Bill.

9.15 pm

Owen Smith (Pontypridd) (Lab): As a Welsh Member, I beg the House's indulgence in contributing to this debate. I have three children, and they, like all children in Wales, will be insulated from some of the more malign effects of this Bill by virtue of our rather more progressive coalition.

Yasmin Qureshi: We'll move to Wales.

Owen Smith: That might be a good idea.

I wanted to speak tonight because the Bill is such an important piece of legislation. It is one of the real key, signature pieces of legislation from this rather less progressive coalition Government at Westminster, and I feel that all Members, wherever they hail from, should address these issues.

It has been interesting to watch Government Members throughout today's debate, because on the faces of some there has been surprise at the volume of opposition from Labour Members and at the passion that we have brought to the debate. That is because we feel that there are fundamental issues at hand, including not just the way in which the Bill is being railroaded through with unseemly haste, but its content, and I shall address two levels of that concern.

First, we are concerned about the legislation's immediate and practical impact. Our abiding concern is about the type of autonomy, the free-for-all, for academy schools, which will be cut free—"liberated", I gather, is the phrase du jour from Government Members.

Mr Stewart Jackson: Having been the chairman of the board of governors at a grant-maintained primary school in the 1990s, I feel all the same arguments coming back from the Labour party. Is it not the case that the boot is on the other foot—that Labour Members' opposition to the Bill is deeply ideological, as it was to grant-maintained schools and to the autonomy and power of parents? Essentially, the Labour party has never trusted, and does not today trust, people with the education of their own children.

Owen Smith: I thank the hon. Gentleman for his intervention and completely agree. This is a very familiar and, indeed, old debate, because from Government Members we have heard the warmed-up arguments of Thatcherism: effectively, the privatisation by stealth of our schools and education, and, coming up later in the year no doubt, a wholesale attack on welfare. The debate is familiar and ideological, and the hon. Gentleman

[Owen Smith]

is absolutely right: my opposition is ideological, too, because I sincerely believe that we need local authorities—the state, in its benign form—to offer some control over our schools, so that we have equitable provision as opposed to the free-for-all that Government Members clearly think would be of benefit.

Paul Farrelly: On my hon. Friend's point about politics and practicalities, is it his understanding that, in Wales as well as in England, the Liberal Democrats' policy is to support local education authorities, not to contribute to their dismantling and demise?

Owen Smith: There is a deep irony in that. On the contortions that the Liberal Democrats are having to perform between Wales and Westminster, I understand that they are actively considering what they would do in the unlikely event of their winning greater power in Wales—as in, thinking about whether they could afford to be in coalition in London with the Tories and in Wales with the Labour party. Seemingly, their opportunism knows no bounds.

However, as I said, we have two levels of deep concern. The first is immediate and practical, including the question of whether that greater degree of autonomy—that laissez-faire attitude to education as well as to economics—will result in a worse outcome for all our children, with few children being cared for as fully as they should be. The hon. Member for South Swindon (Mr Buckland) eloquently raised some of his concerns about special educational needs, and I, too, have a child with such needs, so I am very worried about this legislation and whether free academies, free from local control, will be able to provide that care adequately.

Stephen Pound: On the subject of the excellent contribution of the hon. Member for South Swindon (Mr Buckland), does my hon. Friend recall the hon. Gentleman saying that he felt a great citizens' army of governors would sweep in to support the system? School governors are wholly unpaid and perform that duty in their own time, and I speak as the husband of the chair of governors at Cardinal Wiseman high school, who is out five nights a week—usually of her own choice. Does he agree that as for practicalities, what we have is no more than the warm words that led to the cold classrooms of the last Conservative Administration?

Owen Smith: I cannot but agree, wholeheartedly.

I have already touched on our second, perhaps more profound concern, which is about the longer-term philosophical underpinnings of the Bill. We see similarities between what is being proposed in respect of education and in the health White Paper, and what we will no doubt see in respect of the welfare reforms later this year. In dread phrases throughout the Bill and that White Paper, there are hints of what is proposed. There is a clear indication that the proposal for the concept of free schools is warmed-over privatisation.

Yasmin Qureshi: Is my hon. Friend aware that the free academy idea came from Sweden, where it has been found to lead to inequality and the dumbing down of children's qualifications? That was said by the Swedish equivalent of the head of Ofsted two months ago.

Owen Smith: Absolutely, and one point that I will come to is that the evidence on the free schools system in Sweden and the charter schools in the US has been presented extremely partially. That evidence is not as uncontested, and the findings are not as clear, as has been suggested. I shall give examples in a moment that show serious problems emerging.

Privatisation is not set out in the Bill, and the Government are not bringing it in through straightforward measures, but it is writ large through every clause and the intention is very clear. Liberty from the dead hand of bureaucracy, which is how the Bill is being presented, is merely a catchphrase, nothing more, designed to shield the Government's true ideological concerns.

I shall move briefly, if I may, to Sweden—*[Interruption.]* Well, I will not move to Sweden—I am actually staying in Wales, it is a lovely place—but I shall discuss it briefly. There have been relatively few studies in Sweden and the US of how the free schools and charter schools have worked, but most of them have been rehashed assiduously by the outriders of the Tory party in the think-tanks as part of their cheerleading for the free schools system. In truth, the results of those studies are far less clear than they present them as being. For example, one study that coalition Members have cited is by Böhlmark and Lindahl, but they stated that the studies conducted in Sweden had shown that free schools had increased social segregation. In fact, they stated that division had occurred in almost every area of the country where the system was observed. More importantly, Sweden has not soared up the PISA rankings for the international benchmarking of education. If anything, it has faltered and fallen back as the free schools system has been introduced.

I turn briefly to the US where, again, the evidence is nowhere near as clear as has been claimed. The case of the charter schools not is as straightforward as the Secretary of State, who I see has re-entered the Chamber, has said. He cited in his speech the Rockoff and Hoxby report—almost the only wholly positive report that I can find on charter schools. Even it raises some serious questions. Its conclusion states:

"All three studies find that students who enroll in charter schools experience a drop in achievement relative to similar students in public schools. This drop in achievement is restricted to the first few years of the charter schools' existence".

However, it is appreciable. That underlines that we are considering an experiment, which is not being widely consulted upon. We should be wary of experimenting with our children's future.

I shall conclude with a quote from another US academic, Diane Ravitch, an educationalist who has been an adviser to successive US Presidents, including George W. Bush. She initially believed that charter schools were a good idea, but changed her mind after seeing them in action. She now says that

"public education itself is at risk. On the current course...we will see thousands of public schools turned over to private entrepreneurs... an explosion of privatization...Some articles extol unproven ideas and lack any fairness or balance."

She goes on to say that there is

"a lot of research showing that charter schools don't do any better... than regular public schools."

Opposition Members should look hard at the evidence and not simply listen to Front Benchers. They should be worried about such wholesale experimentation being

visited on our children with unseemly haste. The Bill is a dangerous measure, which may have a seriously detrimental impact on the education of all our children. I shall not support it tonight.

9.26 pm

Guy Opperman (Hexham) (Con): I have spent a large portion of my time as a special educational needs barrister representing local authorities throughout the country. I also represented, with great interest, the right hon. Member for Morley and Outwood (Ed Balls) in his previous incarnation as Secretary of State for Children, Schools and Families.

I want to speak on behalf of the people of Northumberland, which is one of the most rural parts of the country. It has the biggest catchment area in England—Haydon Bridge high school has a catchment area roughly the size of the area inside the M25. The school looks on the proposals with interest, but needs some reassurances that matters that affect rural schools, particularly transport, will be addressed.

Northumberland broadly welcomes the Bill. I met all four head teachers in the local area on Friday and discussed the proposals with them. They required assurances, some of which were tackled today. I am sure that more will be addressed later this evening and during the rest of the week. I also note that, in the debate in the House of Lords, which went on for seven days, considerable analysis and change took place as part of the Bill's development. It has not been set in stone, without any change—it has developed.

The Bill follows on from Lord Baker's work in the Education Reform Act 1988, through the Learning and Skills Act 2000 and the 2005 White Paper under the Labour Government. To address much of the problem with today's debate, we must go back to Tony Blair's words in 2005. I have sat here for some five hours, listening to the debate, which has been fascinating, and I remind hon. Members of Tony Blair's comments:

"We need to make it easier for every school to acquire the drive and essential freedoms of Academies...We want every school to be able quickly and easily to become a self-governing independent state school... All schools"—

I emphasise "all"—

"will be able to have Academy style freedoms...No one will be able to veto parents starting new schools or new providers coming in, simply on the basis that there are local surplus places. The role of the LEA will change fundamentally."

The position in 2005, subject to some slight delay in the past few years, has now moved on. In 2010, we are effectively taking forward the developments that started in the 1980s.

Mr Buckland: Does my hon. Friend agree that the debate and discussion in the other place yielded fruit in the form of important provisions for children with special educational needs, particularly the guarantee that the funding formula will be no different for children in maintained schools from that for children in academies?

Guy Opperman: I accept my hon. Friend's point that the SEN argument developed as time moved on from the starkness of the conversation that took place in the House of Lords on 7 June, 23 June and 26 June. The development in the Bill's special educational needs provisions will improve the situation in academies in respect of children's individual capabilities.

Without question, the Bill takes things forward. There is great scope and need for this change, and I urge the House to consider it favourably.

9.31 pm

Vernon Coaker (Gedling) (Lab): This has been an interesting debate to which many Members on both sides of the House contributed. The number of Members who wanted to speak shows clearly the importance of the Bill, and there are clear divisions of principle between Government and Opposition Members. I am happy to be called a dinosaur or labelled old-fashioned simply because I want to defend this country's comprehensive system to ensure that there is excellence for all, that every single school has the resources that it deserves, and that we do not pit one school or one community against another.

Many hon. Members spoke of the rush to take this legislation through. Interestingly, the hon. Member for Hexham (Guy Opperman) suggested that we perhaps need to look at one or two aspects, and many Government Members said that we should consider amendments to improve the Bill. On cue, the hon. Member for Beverley and Holderness (Mr Stuart), the Chair of the Education Committee, has come into the Chamber—he too thinks that the Bill is being rushed through. However, he understands that, should the House of Commons choose to amend any clause, schedule or subsection, it would cause the Leader of the House, who is in the Chamber, great difficulty. As he, I and everybody in the House knows, there is no Report stage, and the Bill could go straight from Committee to Third Reading. That works on the presumption that there will be no amendment in Committee and that business will be finished by a certain time. We know not only that there is no Report, but that if an amendment is made in Committee, the Bill must to go back to the House of Lords, which would be a problem.

The Secretary of State's Bill may be radical—his view is that it is a flagship Bill and a really important piece of educational reform—but he should not rush it through the House in an unprecedented way. Such procedure is usually reserved for anti-terror measures or legislation in an extreme emergency. The Bill is about the future of education. As was witnessed in numerous speeches by Members on both sides of the House, there are big issues of principle to be debated, and they deserve proper consideration. We should have the opportunity to table amendments and the Government should have the opportunity to choose whether to accept them.

My hon. Friends the Members for North West Durham (Pat Glass), for Middlesbrough South and East Cleveland (Tom Blenkinsop), for Sefton Central (Bill Esterson) and for Pontypridd (Owen Smith) laid out their concerns about the rush. Indeed, the hon. Member for Southport (Dr Pugh) said that he too was concerned. The Chair of the Select Committee pointed out the difficulty with the way in which the Bill is being handled.

Several concerns were raised by hon. Members on both sides. My hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) talked about structures being placed above the quality of teachers. The lack of consultation and the supersession of the role of local authorities was mentioned by my hon. Friend the Member for Huddersfield (Mr Sheerman) and my right hon.

[Vernon Coaker]

Friend the Member for Tottenham (Mr Lammy). The need for greater fairness for children was mentioned by my hon. Friends the Members for Wigan (Lisa Nandy) and for North West Durham. The problem of the Bill creating a two-tier education system and the way in which it will undermine social justice were mentioned by my hon. Friends the Members for Hampstead and Kilburn (Glenda Jackson), for Birmingham, Ladywood (Shabana Mahmood) and for Bolton South East (Yasmin Qureshi).

Mr Gibb: This Bill has 20 clauses, to be debated in Committee over three days. That is between six and seven clauses a day. Compare that with the Apprenticeships, Skills, Children and Learning Bill with which the hon. Gentleman was involved, where we debated 42 clauses in each day in Committee.

Vernon Coaker: The hon. Gentleman needs to explain why it will be impossible to amend the Bill, why it will have no Report stage, and—if it is not impossible to amend the Bill—whether he would welcome amendments. Some of his Back Benchers have serious concerns about the Bill, but if he accepted amendments, we would have to have a Report stage and the Bill would have to go back to the House of Lords.

My hon. Friend the Member for Leicester West (Liz Kendall) mentioned the differences in the profiles of the new academies as opposed to those of existing academies. That set out for us clearly the difference between the academies programme as pursued by my right hon. Friend the Member for Morley and Outwood and the previous Government in which academies were designed to tackle social disadvantage and educational underperformance in some of our poorest communities and the schools that have applied for academy status under this Government, which have lower proportions of children with special needs and are in much more socially advantaged areas.

To be fair to Government Members, we heard some good contributions, which were not all supportive of the Government. The hon. Member for North Cornwall (Dan Rogerson) seemed to suggest that amendments were needed, but was unsure about how he could achieve them. I suggest that the Minister of State consider that point.

I thought that the speech by the hon. Member for Bradford East (Mr Ward) was excellent. He explained why the Academies Bill is unnecessary and will in fact undermine the education system. I very much agreed with him. My hon. Friend the Member for Bolton South East, whom I cannot see her in her place, also made some good points about special needs.

We all thought that the speech by the hon. Member for South Swindon (Mr Buckland) about the need to ensure that the Bill in no way disadvantages those with special needs was an important contribution and we all learnt from his comments. Other hon. Members also made important contributions.

Apart from the name, this Government's academies policy could not be further removed from the values and goals that underpinned the introduction of academies under Labour. We believed in practical, targeted intervention to help struggling schools, not a free-market free-for-all. We believed that if a school was already judged outstanding, it was clearly succeeding within the existing framework and could only be damaged by centralised, ideologically driven policy experiments. We believed in local accountability, not unwieldy powers for a Secretary of State far removed from the realities of local circumstances. We believed in local co-operation and mutual support, not isolation, competition and division. We believed in fair funding and fair admissions, not the introduction of unfair advantages and resources to be exploited at the expense of those already most vulnerable within the education system. We believed in evidence over ideology. We believed in listening to educationalists, teachers, head teachers and other professionals who understand better than anyone what does and does not work on the ground.

Bob Russell: I recognise the powerful case that the hon. Gentleman makes, but does he accept that in a constituency such as mine this Bill could be the great escape from Conservative-controlled Essex county council?

Vernon Coaker: I wish the hon. Gentleman luck with Essex county council. He and I have worked long and hard to try to free Colchester from various people on the council. But I will not go there, Mr Speaker. I have been to Colchester three times. Perhaps the new Schools Minister will now take up that task with great relish.

It should be obvious that when a Government do not listen, when they do not bother to consult and when they rush through legislation grounded not in evidence or experience but in ideology, they will get things badly wrong. In this instance, that will result in the undermining of our education system in a way that could damage the educational prospects of a generation. Whatever their motive, a coalition Government who have declared an interest in helping those who are disadvantaged in the education system are championing a model of schooling from other countries about which serious questions are now being asked.

According to recent studies, charter schools and free schools in the US and Sweden have led to a deterioration in overall standards, to a greater differentiation in attainment between the haves and the have-nots and to a decrease in racial and socio-economic integration. Just last month, the Swedish Education Minister warned the UK against adopting the free school model, stating:

"We have actually seen a fall in the quality of Swedish schools since the free schools were introduced...The free schools are generally attended by children of better educated and wealthy families, making things even more difficult for children attending ordinary schools in poor areas."

Stanford university published the first national assessment of charter schools in America and found that 37% delivered learning results that were significantly worse than those that the students would have realised had they remained in traditional public schools, and that nearly half the results were no different. That evidence was ignored by this Government.

It is ironic that a party that professeses to champion localism will now fatally undermine the ability of our most local layer of democratically elected government—the local authority—to plan for and support fair and excellent schooling in its area. "What could be more democratic than giving power to parents?", ask the Government, but in the context of the Bill, that claim is

deeply disingenuous. Parents are not mentioned in it once. Around the country, parents are rightly up in arms that governing bodies may seek to convert their children's schools into academies without so much as speaking to them. In a MORI poll this year, 95% of parents and the general public opposed external organisations such as private companies and charities running schools, and 96% opposed the creation of so-called free schools. Parents know what is best for their children.

Sadly, the Liberal Democrats have yet again demonstrated their elastic convictions when it comes to notions of fairness and justice, redefining them at every turn to accommodate their desire to be at the top table.

Stephen Lloyd: Will the right hon. Gentleman give way?

Vernon Coaker: No, I do not have much time.

In June 2010, the Liberal Democrat Education Association said:

"Liberal Democrat Party members call upon their MPs and Peers to vote against the Academies Bill. The present Bill did not form part of the published coalition agreement. The Bill is wasteful of resources at a time when public expenditure is under extreme pressure, and does not meet the coalition's aim for a fairer society."

We shall see how many Liberal Democrat MPs and Peers follow that advice tonight.

It was not so long ago that the hon. Member for Brent Central (Sarah Teather), now a Minister in the Government, described the free schools policy as a "shambles". I should like to remind her that she also said:

"Unless you give local authorities that power to plan, it is just a gimmick. Giving schools a fancy title—be it 'free school' or 'academy'—and allowing disparate groups of parents, charities or other organisations to run or 'sponsor' them will not magically transform them."

I wonder what has transformed her attitude and opinion.

The Bill will visit huge injustice upon those children and young people who most need our help, and it will cause confusion, worry and division for children and parents everywhere. By elevating market mores above the core principles of co-operation, accountability, democracy and equality, it will turn our education system into a dismal experiment in educational Darwinism. It will be the survival of the fittest and the demise of the rest. The consequences could be calamitous for tens of thousands of children and take decades to reverse.

Education—*[Interruption.]* Conservative Members should calm down; they will like the next bit even better. Education is a public good, not a private commodity. The common good is served not when parents and children engage with schools as consumers pursuing relative advantage, but when they act as citizens and partners who understand their crucial role as co-creators of learning and educational success. For these reasons, we strongly oppose this Bill and we urge all right-thinking hon. Members to do the same.

9.46 pm

The Minister of State, Department for Education (Mr Nick Gibb): That was somewhat overstated, if I may say so.

This has been an interesting and constructive debate, covering a wide range of educational issues. The Academies Bill is not simply about the nuts and bolts of the conversion process for maintained schools to become academies or for groups of teachers or parents to establish new free schools. It is about changing the deeply unsatisfactory and, for many parents, highly distressing situation where schools in an area are not of the standard and quality they want for their children.

This year in England, nearly one in five parents saw their child denied their first choice of secondary school, and in some boroughs the situation was much worse, with nearly half of parents failing to get a place for their child in their preferred school. These figures do not take account of the fact that many parents have already ruled out applying to the school they really want because they live too far away and know they would not stand a chance.

Sometimes this is discussed, particularly by Labour Members and left-leaning commentators, as if it were just a matter of middle-class angst. This is simply not the case. As the former Labour Cabinet Minister Alan Milburn said in a recent speech to the National Education Trust:

"It is sometimes argued that parents in the most disadvantaged areas are less aspirational for their children than those in better off areas. The figures on school appeals repudiate such assumptions, with a large number of parents in disadvantaged parts of the country using the appeals system to try to get their children out of poorly performing schools and into better ones."

The problem is that there are simply not enough good schools. Some parents can work their way around the problem, as my hon. Friend the Member for East Surrey (Mr Gyimah) pointed out. The wealthy can move their children to a private school and the socially mobile can move into the catchment area of a high-performing state school—I cannot and will not say how many left-wing journalists I know who have used both methods for themselves—but for the vast majority of parents who care just as deeply about the education of their children, there is often no choice and they learn to suppress their worries and put up with what is on offer. This Bill seeks to change that.

Toby Perkins (Chesterfield) (Lab): I agree 100% with the Minister that parents in deprived communities care just as deeply about their children's future as do those in other areas, but given that he is saying that the problem is that there are not enough good schools, would it not be better to focus his policy on making poorer schools better rather than creating an educational elite?

Mr Gibb: That is precisely what this Bill and this Government's policy are all about. It is part of a comprehensive approach to driving up standards. This Government are determined to raise academic standards in all our schools, as the hon. Gentleman says. We will do it by improving the teaching of reading so that we no longer have the appalling situation whereby after seven years of primary education, one in five 11-year-olds still struggles with reading. We will do it by improving standards of behaviour in schools, which is why we are strengthening and clarifying teachers' powers to search for and confiscate items such as mobile phones and iPods, as well as alcohol, drugs and weapons. It is why we are removing the statutory requirement for 24 hours' notice of detentions and giving teachers protection

[Mr Gibb]

from false accusations. It is also why we intend to restore rigour to our public examinations and qualifications and restore the national curriculum to a slimmed-down core of the knowledge and concepts we expect every child to know, built around subject disciplines and based on the experience of the best-performing education systems in the world.

Central to our drive, however, is liberating professionals to drive improvement across the system. We want all our schools to be run by professionals rather than by bureaucrats or by bureaucratic diktat. We want good schools to flourish, with the autonomy and independence that academy status brings. I am thinking of schools such as Mossbourne academy in Hackney, where half the pupils qualify for free school meals but where 86% achieve five or more GCSEs at grades A* to C including English and maths, and Harris city academy in Crystal Palace, where 82% achieve five or more GCSEs at grades A* to C including English and maths. Harris city academy was the first school to be awarded a perfect Ofsted score under the new inspection regime, and it now attracts about 2,000 applicants for its 180 annual places. Those schools are delivering what parents want for their children, and the Bill will deliver hundreds more such schools.

Opposition Members have raised concerns about the impact that the new free schools will have on neighbouring schools. Of course the Secretary of State will take those issues into account when assessing the validity of a new free school. However, Lord Adonis said in another place:

> "The idea that parents should not be able to access new or additional school places in areas where the schools are not providing good quality places simply because the provision of those places will cause detriment to other schools fundamentally ignores the interests of parents and their right to have a decent quality school to send their children to. If there is not such a decent quality school and someone is prepared to do something substantive about it, they should be applauded".—[*Official Report, House of Lords*, 21 June 2010; Vol. 719, c. 1264.]

My hon. Friend the Member for Beverley and Holderness (Mr Stuart) made the important point that the Bill builds on the academy legislation of the last Government. However, the new model agreement gives greater protection to children with special educational needs by mirroring all the requirements that apply to maintained schools. That was not the position in the funding agreement signed by the Secretary of State in the last Government.

My hon. Friend also raised the important issue of exclusions, which, he said, were running at twice the national average rate in existing academies. Many early academies that were established in very challenging areas and inherited very challenging pupils did need to exclude some children to bring about good behaviour and a new ethos, but as they became established, exclusion rates tended to fall. Many open academies have exclusion rates that are no higher than those in the rest of the local authority that they serve. Academies are required to participate in their local fair access protocols. The truth is that they have a higher proportion of children with SEN, and tend to exclude such children proportionately less.

Academies are subject to the same admission requirements as maintained schools. They must comply with admissions law and the admissions code, and are required by the funding agreement to be at the heart of their communities. Many Opposition Members raised the issue of social and community cohesion. Academies are required to be at the heart of their communities, sharing facilities with other schools and the wider community.

The hon. Member for Huddersfield (Mr Sheerman) asked why we were starting with outstanding schools. In fact, all schools have been invited to apply for academy status, not just outstanding schools. Outstanding schools will be fast-tracked because of their outstanding leadership, but we are continuing to tackle the worst-performing schools by converting them to sponsor-supported academies. All outstanding schools will be expected to help a weaker school to raise standards.

Bill Esterson: Will the Minister give way?

Mr Gibb: I will not, because there is very little time left.

The hon. Member for Huddersfield also raised the issue of free schools and faith schools, as did the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop). Although existing faith schools will retain their faith designation on conversion to academies, new faith schools will be able to select only 50% of their intake on the basis of faith.

I am grateful to my hon. Friend the Member for Altrincham and Sale West (Mr Brady) for his support for the Bill, largely because many of the policies in it were built on his work as shadow schools Minister in days of yore. He has visited a KIPP—Knowledge Is Power programme—school in Washington DC, which he described as "one of the most exciting schools I have ever visited." He said, "I want these schools in this country"—as do we all.

The hon. Member for North West Durham (Pat Glass) is concerned about children with special educational needs in academies, but academies take a significantly higher proportion of children with SEN, and the evidence suggests they are less likely to exclude. I refer her to clause 1(7) of the Bill, which strengthens the position of children with SEN and imposes on new academies all the obligations on admissions and exclusions that apply to maintained schools.

The hon. Member for Southport (Dr Pugh) raised some concerns about the Bill and I would remind him that charter schools in New York have dramatically closed the gap between the poorest and those from neighbouring wealthy boroughs—by 86% in maths and 66% in English. A third of academies in this country with GCSE results in 2008 and 2009 have achieved a 15% increase in results compared with the results of their predecessor schools.

My hon. Friend the Member for Bristol North West (Charlotte Leslie) is passionate about education, and she made an excellent and thoughtful speech highlighting the enormous and widening attainment gap in this country. She is right to welcome the expectation that outstanding schools opting for academy status will help weaker schools.

My hon. Friend the Member for South West Norfolk (Elizabeth Truss) brings to the House all her experience of, and passion for, education. She pointed out how millions of children have been let down by 13 years of

failed education policies. She also pointed to millions of pounds being wasted and consumed by quangos, strategies and initiatives that dictated a prescriptive approach to teaching that demoralised the profession and forced teachers to teach to the test and to fit the system. She is right to say that the new freedoms, and our plans to sweep away many of the bureaucratic burdens that are piled on to teachers and schools, will help to rejuvenate the teaching profession. This is a Government who trust the professionalism of teachers. She is also right to point out that there are extensive concerns about standards.

We are not prepared to continue with the system we inherited. We are a Government in a hurry. Head teachers are in a hurry. Every year and every month that passes by is a month or a year of a child's education. It is a disgrace that, in 2008, of the 80,000 young people qualifying for free school meals just 45 got into Oxbridge. It is wrong that 42% of those qualifying for free school meals failed to achieve a single GCSE above a grade D. It is unacceptable that just one quarter of GCSE students achieve five or more GCSEs, including in English, maths, science and a foreign language. The coalition agreement says:

"We will promote the reform of schools in order to ensure that new providers can enter the state school system in response to parental demand".

This Bill delivers on that agreement.

Despite some of the rhetoric from Opposition Members today, support for the Bill's proposals goes wider than the coalition partners in this Government. There is, in fact, a broad progressive consensus that includes my right hon. and hon. Friends on the Government Benches and that extends to the liberal wing of the Labour party. In 2005 Tony Blair said:

"We need to make it easier for every school to acquire the drive and essential freedoms of academies...We want every school to be able quickly and easily to become a self-governing independent state school...All schools will be able to have academy style freedoms."

This Bill delivers on the former Prime Minister's aspiration. The coalition even extends to the Democratic party in the United States.

The Bill will deliver more excellent schools in the most deprived parts of our country. So far, more than 1,900 schools have expressed an interest in academy status. The Government are determined to raise standards and the Bill is part of that strategy. I commend the Bill to the House.

Question put, That the amendment be made.

The House divided: Ayes 234, Noes 333.

Division No. 29] **[9.59 pm**

AYES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Long, Naomi
Love, Mr Andrew
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim

Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Mary Creagh and
Mrs Sharon Hodgson

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick

McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Willetts, rh Mr David
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Bill Wiggin and
Mark Hunter

Question accordingly negatived.

Question put forthwith (Standing Order No. 62(2)), That the Bill be now read a Second time.

The House divided: Ayes 326, Noes 236.

Division No. 30] **[10.13 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Hayes, Mr John
Heald, Mr Oliver

Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Philip Dunne and Mark Hunter

NOES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Elliott, Julie
Elman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary

Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Long, Naomi
Love, Mr Andrew
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Mary Creagh and
Mrs Sharon Hodgson

Question accordingly agreed to.
Bill read a Second time.

ACADEMIES BILL [*LORDS*] (PROGRAMME)

Motion made, and Question put forthwith (Standing Order No. 83A(7)).

That the following provisions shall apply to the Academies Bill [*Lords*]:

Committal

1. The Bill shall be committed to a Committee of the whole House.

Proceedings

2. Proceedings in Committee, any proceedings on consideration and proceedings on Third Reading shall be completed in three days.

3. Proceedings in Committee shall be taken on each of those days as shown in the first column of the following Table and in the order so shown.

4. Proceedings shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

TABLE

Proceedings	*Time for conclusion of proceedings*
First day	
Clauses 1, 6, 9 and 10, new Clauses relating to Clauses 1, 6, 9 or 10, new Schedules relating to Clauses 1, 6, 9 or 10.	Three hours after the moment of interruption.
Second day	
Clauses 2, 7, 8 and 11 to 13, Schedule 1, Clause 14, Schedule 2, Clause 15, new Clauses relating to Clauses 2, 7 or 8 or any of Clauses 11 to 15 or Schedule 1 or 2, new Schedules relating to Clauses 2, 7 or 8 or any of Clauses 11 to 15 or Schedule 1 or 2.	One hour after the moment of interruption.
Third day	
Clauses 3 to 5, Clauses 16 to 20, new Clauses relating to any of Clauses 3 to 5 or 16 to 20, new Schedules relating to any of Clauses 3 to 5 or 16 to 20, remaining proceedings on the Bill.	One hour before the moment of interruption.

5. Any proceedings on consideration and proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on the third day.

Programming Committee

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings in Committee, any proceedings on consideration or proceedings on Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of any message from the Lords) may be programmed.
—(Mr Vara.)

The House divided: Ayes 322, Noes 238.

Division No. 31] **[10.27 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory

Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Willetts, rh Mr David
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Bill Wiggin and
Mark Hunter

NOES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hollobone, Mr Philip
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Long, Naomi
Love, Mr Andrew
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil

Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Mary Creagh and
Mrs Sharon Hodgson

Question accordingly agreed to.

ACADEMIES BILL [*LORDS*] (MONEY)

Queen's recommendation signified.

Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),

That, for the purposes of any Act resulting from the Academies Bill [*Lords*], it is expedient to authorise—

(1) the payment out of money provided by Parliament of—

(a) any expenditure incurred under or by virtue of the Act by the Secretary of State, and

(b) any increase attributable to the Act in the sums payable under or by virtue of any other Act out of money so provided, and

(2) the payment of sums into the Consolidated Fund.—*(Mr Vara.)*

Question agreed to.

Business without Debate

ESTIMATES, 2010-11

Motion made, and Question put (Standing Order No. 55),

That, for the year ending with 31 March 2011—

(1) further resources, not exceeding £277,712,252,000, be authorised for use for defence and civil services as set out in HC 128, HC 133, HC 134, HC 149, HC 229 and HC 269,

(2) a further sum, not exceeding £255,954,633,000, be granted to Her Majesty out of the Consolidated Fund to meet the costs of defence and civil services as so set out, and

(3) limits as set out in HC 128, HC 133, HC 134, HC 229 and HC 269 be set on appropriations in aid. —*(Mr Vara.)*

Question agreed to.

Ordered, That a Bill be brought in upon the foregoing Resolution;

That the Chairman of Ways and Means, Mr Chancellor of the Exchequer, Danny Alexander, Mr Mark Hoban, Mr David Gauke and Justine Greening bring in the Bill.

Consolidated Fund (Appropriation) Bill

Presentation and First Reading

Mr Mark Hoban accordingly presented a Bill to authorise the use of resources for the service of the year ending with 31 March 2011 and to apply certain sums out of the Consolidated Fund to the service of the year ending with 31 March 2011; to appropriate the supply authorised in this Session of Parliament for the service of the year ending with 31 March 2011; and to repeal certain Consolidated Fund and Appropriation Acts.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 2).

REGULATORY REFORM

Motion made, and Question put forthwith (Standing Order No. 18(1)),

That the draft Legislative Reform (Licensing) (Interim Authority Notices etc.) Order 2010, which was laid before this House on 10 March 2010, in the previous Parliament, be approved.—*(Mr Vara.)*

Question agreed to.

LIAISON COMMITTEE (MEMBERSHIP)

Ordered,

That with effect for the current Parliament, notwithstanding Standing Order No. 121 (Nomination of select committees), the chair for the time being of each of the following select committees (including from the date of his or her election a chair elected under Standing Order No. 122B) shall be a member of the Liaison Committee:

Administration,
Backbench Business,
Business, Innovation and Skills,
Communities and Local Government,
Culture, Media and Sport,
Defence,
Education,
Energy and Climate Change,
Environmental Audit,
Environment, Food and Rural Affairs,
European Scrutiny,
Finance and Services,
Foreign Affairs,
Health,
Home Affairs,
Joint Committee on Human Rights (the chair being a Member of this House),
International Development,
Justice,
Northern Ireland Affairs,
Political and Constitutional Reform,
Procedure,
Public Accounts,
Public Administration,
Regulatory Reform,
Science and Technology,
Scottish Affairs,
Selection,
Standards and Privileges,
Statutory Instruments,
Transport,
Treasury,
Welsh Affairs, and
Work and Pensions.—*(Mr Vara.)*

USE OF THE CHAMBER (UNITED KINGDOM YOUTH PARLIAMENT)

Motion made,

That this House welcomes the work of the United Kingdom Youth Parliament in providing young people with an opportunity to engage with the political process; notes that the House agreed on 16 March 2009 to allow the Youth Parliament to meet once in the Chamber; recalls that this meeting took place on 30 October 2009; and accordingly resolves that the UK Youth Parliament should be allowed to meet once a year in the Chamber of this House for the duration of this Parliament.—*(Mr Vara.)*

Hon. Members: Object.

DELEGATED LEGISLATION (COMMITTEES)

Ordered,

That the Motion in the name of Sir George Young relating to the Electoral Commission shall be treated as if it related to an instrument subject to the provisions of Standing Order No. 118 (Delegated Legislation Committees) in respect of which notice of a motion has been given that the instrument be approved.—*(Mr Vara.)*

Mr Speaker: Before I call the right hon. Member for Wentworth and Dearne (John Healey), I appeal to Members who are leaving the Chamber to do so quickly and quietly, thereby treating the right hon. Gentleman with the same courtesy and consideration with which they would wish to be treated.

Coalfields Regeneration Trust (Wentworth and Dearne)

Motion made, and Question proposed, That this House do now adjourn.—*(Mr Vara.)*

10.45 pm

John Healey (Wentworth and Dearne) (Lab): I welcome the opportunity to debate the work of the Coalfield Regeneration Trust in my constituency in South Yorkshire. I am proud to say that it has its headquarters in the Wentworth and Dearne constituency, which I am privileged to represent, and it works throughout England, Wales and Scotland. I welcome the Under-Secretary of State for Communities and Local Government, the hon. Member for Hazel Grove (Andrew Stunell) to the Front Bench; he is certainly the hardest working in the ministerial team, picking up the widest possible range of debates and other business on behalf of colleagues in the Department. In his constituency on the south-east fringes of Manchester, the last of the pits, in and around Poynton, was closed some 70 years ago.

It is therefore a useful opportunity for me to underline for the Under-Secretary and his ministerial colleagues the impact of the wholesale closure of the coal industry in a very short time in the 1980s and 1990s and the importance of the review that the Department is currently conducting about the work of the Coalfield Regeneration Trust and the coalfield regeneration programme, led, of course, by Michael Clapham. Parliament is much the poorer for not having Michael Clapham in the House. He was a very strong voice, not only for Barnsley, but for the coalfields, health and safety and workers in all industries in this country.

The timing of my debate is deliberate. I would like the Minister and his ministerial colleagues to understand that there has been good progress, not least through the trust, in the regeneration of our coalfields, but that there is still a lot of work to do. I would also like him to understand that there is strong support in the House, in local government and in the communities in the former coalfields for the work of the trust and of the regeneration programme. The decisions that he and his colleagues make on the review that Michael Clapham produces will be a test of the Government and of whether they can claim to be a Government for the whole country.

I am proud that a Labour Government set up the Coalfield Regeneration Trust in 1999, following the report of the Coalfields Task Force, which noted the coalfield areas of Wales, Scotland and England as having

"a unique combination of concentrated joblessness, physical isolation, poor infrastructure and severe health problems"

in 1998, at the start of the regeneration programme. After more than 15 years in many cases, many of our coalfield communities were still reeling from the unprecedented devastation and deliberate destruction of the coal industry at that time.

Of the 130 pits that were operating in 1981, 124 closed. More than 190,000 of the 200,000 jobs in the coal industry in 1981 went. In the Yorkshire coalfields, some 67,000 jobs were lost—more than one in four of all the male jobs in the coalfield region. In my constituency, there are four wards, in which in 1981, between two fifths and two thirds, in one case, of men aged over 16 were employed in coal mining. That was the extent of the importance of the industry to our areas at the time.

[John Healey]

There was unparalleled and unique reliance on a single industry, not only for jobs, but for housing, social and welfare support, often for sports and recreation facilities and sometimes for the financial and retail services for the community.

I am proud that the Labour Government set up the Coalfield Regeneration Trust and that its headquarters has been in my constituency for the past eight years, on the site of the old Manvers colliery, which had the first shaft sunk in 1870 and was closed by the previous Tory Government in 1988. When that was closed, its 285-acre site became part of one of the largest derelict areas in western Europe, and one of the biggest regeneration challenges this country has faced. Now, I am happy to say, it has been overtaken by new jobs, businesses and housing.

The trust has played an important part in that regeneration since it was set up, supporting groups and activities in the constituency with more than £3 million. It supported the widest possible range of work, from the Dearne Valley college to the Rawmarsh St Joseph's football club and the Montgomery hall needlework group in Wath. Across the country, the trust has distributed grants of around £190 million. I pay tribute to the work of the chief executive, Janet Bibby, and her small team of staff, and in particular to the trustees—dedicated men and women—who are chaired by Peter McNestry. They have committed their work to backing the trust and have served the coalfields so well.

The trust is an independent charity and limited company. It supports our communities through grants, but it also supports them by linking up in a more long-term and strategic way with other agencies. It operates in England, Wales and Scotland. Simply put, the trust reaches people and parts of our communities that public agencies simply cannot reach. It helps to rebuild the community and strengthen the spirit of the old pit villages, as well as providing the physical regeneration of the other programmes.

The trust is special because it understands the unique culture and character of the coalfields, because it is trusted by the communities, and because it reaches back with families and through generations, sharing their history, but also helping them to shape their future. In my constituency, the trust gave an important grant to Cortonwood Miners Welfare club. Cortonwood, of course, was the pit where the miners strike started in March 1984. The grant enabled what was still a well-used building to become a one-stop shop for services and, more importantly, the future hub of the community. It supported the Cortonwood Comeback Centre, a group of women who originally formed as part of Women Against Pit Closures during the strike. They kept going, took over the Methodist church with the help of the trust, and ran a support group for the community and attracted other volunteers.

The trust has helped the South Yorkshire credit union, which is based in Goldthorpe in my constituency, and run a programme of debt support as part of a programme across the coalfields. That now helps more than 5,000 people in the light of the recession, and managed nearly £38 million of debt. Otherwise, those people would have been sunk.

Of course, one of the latest grants—small but nevertheless important—was used to set up a boat house on the lake that occupies part of the old Manvers pit site, in conjunction with the British Canoe Union. A new form of activity and use for the coalfield area has therefore been created.

In fact, since the trust began, it has created 119 new community facilities, and refurbished and improved more than 2,000. It has helped more than 17,000 people in our communities to find work and more than 115,000 to get skills and training for the future. It has worked on child care places, social enterprises, community transport, and debt and financial advice, and it has helped nearly 10,000 people to become new volunteers in projects within their communities. It is special and it works in special ways, because it recognises the special challenges in the coalfields.

Mr David Anderson (Blaydon) (Lab): I am speaking as a former miner and as the chair of the all-party coalfield communities group. We recognise and welcome the trust's work. However, the Audit Commission, in its 2008 report, praised the physical and economic regeneration, but made the point that in former mining areas throughout the country, there were still high levels of worklessness, low skills and poor health.

John Healey: Indeed, and my hon. Friend chairs the all-party coalfields group very ably and plays an important role. He is right, and the National Audit Office recognised that progress had been made. Some of the gap with the rest of the country in jobs and skills has been closed, but a big challenge remains ahead. That is why the work of the trust and the wider programme is necessary for the future.

The trust works in unusual ways that are especially suited to our coalfield communities. It helps groups to develop ideas in order to bid for support. It ensures that the support that it can give goes beyond the grant of money and assistance. Most importantly, the trust backs projects that increase opportunities for local people to get involved. That is why more than 250,000 young people, in the projects that the trust has supported over the years, have become involved and part of the activities that the trust has supported. That is why nearly 10,000 people have volunteered as part of the projects.

The trust is backed by local authorities in the coalfield communities, a network that is ably led by Ian Watts, the leader of Bolsover council. It is backed by public agencies that often use the trust to deliver programmes better than they can themselves, as the £3 million jobs, skills and training programme run by the trust in the east midlands demonstrates.

Most importantly, the trust is backed by independent evaluators. In 2007, the Department for Communities and Local Government commissioned a review of the trust's work, which said that it

"has made an important contribution to the transformation of the coalfields. Initially the Trust was…a responsive, opportunistic regeneration grant donor…over time the Trust has taken on more of a strategic role, supporting larger schemes…including the targeted multi-agency work…developing stronger links"—

with the wider coalfield regeneration programme—

"and other delivery partners such as at Shirebrook or through its work on the impressive Breathing Space Centre in Rotherham."

The NAO has said something similar and that the trust's family employment initiatives produce work and jobs at a better rate and for more people—and at less cost to the Treasury.

As my hon. Friend said, there has been progress but there are still problems. The 2009 report by the NAO said:

"The gap with the rest of the country has narrowed, but many coalfields remain among the most deprived areas in England."

A range of problems remain, related to those communities' former dependence on coal mining and described in one of the reports as

"unique challenges in the coalfields with inner city type deprivation coupled with rural isolation."

That is why the CRT is needed now as much as it was in 1999. It is needed in the coalfield areas that are still struggling and those that were hit harder in recession and will find it harder to grow again in recovery.

There is one other reason why the work of the trust should recommend itself to the Minister's Tory ministerial colleagues. The Prime Minister today spoke of the big society. It is not new, but it is important. It is important that it complements, not substitutes for, public services and investment. The Prime Minister criticised Government as top-down and top-heavy. The trust has always worked from the bottom up—in, with and for the coalfield communities. It supports the big society actions, but it supports the men, women and young people in the small pit villages in our country.

Huw Irranca-Davies (Ogmore) (Lab): My right hon. Friend makes a very powerful speech on behalf of the CRT. In my area the trust has delivered 83 young people into jobs through the work that it has done in collaboration with the future jobs fund, and is planning to help another 150—funding pending. Does he agree that that shows that it is organisations such as the CRT that have the real knowledge of the coalfields that the Government should tap into?

John Healey: My hon. Friend has a lot of experience in this area, and he is absolutely right to say that the trust combines running jobs programmes with providing skills, health care and child care and all sorts of other support that recognises and tackles the often complex barriers that prevent people in our villages from getting into the kind of work that they need.

The Prime Minister said today:

"The rule of this government should be this: If it unleashes community engagement—we should do it."

The Coalfields Regeneration Trust does just that. It unleashes the potential, the energy and the commitment of individuals and communities in the old coalfield areas, and the Government should back the trust for the future. If they do so, they will show that, despite our deep doubts, they are a Tory-led Government unlike the Tory Government of the 1980s and 1990s, and that they will not turn their back on the coalfields, as the previous Tory Government did.

I hope that the Minister will be able, in advance of the important review that Michael Clapham will produce, to give us his full commitment to that review on behalf of the Government, as well as a clear commitment to the publication of its report, and a strong commitment to seeing the trust and the regeneration programmes continuing in our coalfields throughout this Parliament and beyond.

11.1 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): I congratulate the right hon. Member for Wentworth and Dearne (John Healey) on securing this debate. I also congratulate the hon. Members for Blaydon (Mr Anderson) and for Ogmore (Huw Irranca-Davies) on their contributions. The right hon. Gentleman made some important points, and I shall do my best to reply to them. I certainly take his point that I am something of a utility player in the team, and I do not think the fact that my constituency used to have a coal mine 70 years ago really qualifies me to speak as an expert on these matters.

The right hon. Gentleman set out the history of mining, as well as describing its woeful end in his constituency and the legacy that that left behind. I fully acknowledge many of his points. Regenerating the English coalfields has been a huge challenge over the past 30 years. There is no doubt that the speed and extent of the pit closures resulted in significant economic and social damage, as well as creating some real environmental challenges.

The right hon. Gentleman described the steps that the previous Government took to set up the national coalfields programme, which last year had a £50 million capital programme funded by my Department and the Homes and Communities Agency. He also mentioned the creation of the enterprise fund, which last year was managing a £30 million revolving loan fund, two thirds of which came from the Department, while one third came from the private sector.

The subject that the right hon. Gentleman dwelt on most was the Coalfields Regeneration Trust, which last year had an £11 million revenue budget and a £6.65 million capital fund, both from my Department. It is based in his constituency and is perhaps one of those symbolic landmark organisations, as far as he and his constituents are concerned. It is right to recognise some of the real achievements that those programmes have delivered over the years. He outlined a number of them, and I am happy to endorse what he said. I have been provided with a list, which also includes the family employment initiative, the debt response programme and the sports legacy. There is a long list of projects that have been delivered and of which he is rightly proud on behalf of his Administration.

The right hon. Gentleman failed to detail some of the shortcomings that were highlighted in the National Audit Office report that was published in December 2009, and again in the Public Accounts Committee report of March 2010. It is only right that I should quote from some of the PAC's conclusions. Conclusion 1 states:

"Thirteen years after the start of the schemes, the Department—

the Department for Communities and Local Government—

"still lacks clarity as to how its initiatives can best revitalise the local communities in which it is investing."

Conclusion 2 was:

"The Department has failed to lead coalfield regeneration across Government."

Conclusion 3 was:

"The Department has not sufficiently coordinated its three strands of coalfield regeneration and funding for improving local coordination is at risk.

[Andrew Stunell]

Conclusion 4 was:

"The Department has failed to develop a robust assessment of the direct impact of its initiatives, including proof that the money spent has created jobs that would not have been created anyway. To demonstrate that its plans merit continued funding, the Department should establish the success of its initiatives using direct measures such as the occupancy rates on sites and the number of jobs filled by members of coalfield communities as a direct result of the initiatives."

I could go on, but that would not be a sensible use of my time, so let me finish by citing conclusion 7, which states:

"The Department did not act quickly enough to support enterprise in coalfield areas. By the time the £50 million Coalfield Enterprise Fund to support businesses was proposed in 1998, the employment, skills and confidence in many coalfield areas had been lost. An urgent response was needed but the Department took until 2004 to develop and launch a £10 million fund. And the Department took until 2009 to identify a mixture of public and private funding to reach the £50 million mark."

What that says is that, good as the programme has been in parts, there is a serious need for more to be done to make it fully effective. The criticism was sharp. We have inherited a series of failings, but we are determined to find ways to put things right. I want to reassure the right hon. Gentleman on this point: we have no plans to dismantle the programme.

We published our response to the PAC report on 15 July and did our best to address the points raised in the Committee's earlier report. We focused on reassessing the immediate and long-term needs of coalfield areas and on ways of achieving the best value for money. We are focusing on the co-ordination of coalfields regeneration across and within Government, which the PAC charged our predecessors with having failed to do. We are working hard to make sure that the need to demonstrate the benefits of specific funding for coalfield areas is shown and followed.

As the right hon. Gentleman said, our former colleague, Michael Clapham, is chairing the review of coalfields regeneration. My right hon. Friend the Minister for Housing has already met him, and I echo the right hon. Gentleman's praise for Mr Clapham's tireless support for miners, the mining industry and the victims of industrial diseases in general. I am sure that he will be an admirable and effective chair of the review.

The review will help the Government to take decisions on the direction of future interventions in former mining constituencies, both for the remainder of the current spending period and also into the next comprehensive spending review period. The consultation period closed on 30 June, and I understand work has begun on drafting the report. The Minister for Housing and I look forward to receiving Michael Clapham's report at the end of August. To confirm what the right hon. Gentleman asked me about, publication of that report will be well timed for fitting in with the Government's current spending review, which the House will know is planned to be announced on 20 October. I confirm that publication of the report is certainly in our minds.

The review is intended to look at the way in which the current programmes are delivered. We expect there to be a major role for local authorities, but we are clear about the fact that there must also be a joined-up approach, with all partners—including the local communities themselves—working together. The right hon. Gentleman mentioned the Prime Minister's statement today. We are certainly committed to a bottom-up community-focused approach.

The Government remain supportive of action to meet the continuing need for land-based remediation, remain strongly supportive of community-led regeneration projects and are committed to helping communities to come together to tackle local problems and support local enterprises, especially in vulnerable areas such as the former coalfields. Those three strands were in the initial programme, and we intend to make progress with all of them. We must ensure that all possible ways of securing maximum efficiencies are considered, particularly in the current climate. As the right hon. Gentleman knows—and as the whole House knows—the spending review will be extremely difficult, and hard choices will need to be made. Whatever the outcome, we can at least ensure that we get value for money from the resources going into the coalfields communities.

The right hon. Gentleman is an old hand who has stood at this Dispatch Box fending people off, and he will appreciate that I cannot make any promises ahead of the comprehensive spending review; but I will say that I have heard his messages, and I hope he has heard mine. The spending review will be difficult, but we recognise the important work of the Coalfields Regeneration Trust in helping to improve coalfield communities, and we are absolutely determined to ensure that every penny spent gives full value for money not just to the taxpayer, but to the communities that it is designed to help.

Question put and agreed to.

11.12 pm

House adjourned.

House of Commons

Tuesday 20 July 2010

The House met at half-past Two o'clock

PRAYERS

[Mr Speaker *in the Chair*]

Oral Answers to Questions

JUSTICE

The Secretary of State was asked—

Prisoner Release (Risk Assessment)

1. **Chi Onwurah** (Newcastle upon Tyne Central) (Lab): What steps the Prison Service takes to communicate to police forces its assessment of the mental state of and threats posed to the public by prisoners immediately prior to release. [9411]

The Minister of State, Ministry of Justice (Nick Herbert): Police forces are notified of all prisoner releases. Procedures are in place in each prison under the national security policies to ensure that security information about offenders is analysed and shared with the police and other agencies if it is considered that it will help the police to protect the public from serious harm.

Chi Onwurah: I referred to the mental health care and status of prisoners. The recent tragic events in Newcastle, on Tyneside and in Rothbury have highlighted how important the provision of good mental health care in prisons is. Will responsibility for that provision be given to local GPs in the reorganisation of the national health service, or will it be under the control of the prison?

Nick Herbert: First, I agree with the hon. Lady that it is important that we ensure adequate mental health care for prisoners, a very large number of whom suffer from mental health conditions. She will appreciate that I cannot comment specifically on the case to which she referred, which is the subject of an Independent Police Complaints Commission investigation and a police investigation. We are now considering carefully how the Government's health reforms should fit in with how we want to provide health services in prisons.

Sir Alan Beith (Berwick-upon-Tweed) (LD): I thank the Minister for being careful not to speculate about matters that are the subject of inquiries and possible criminal proceedings. Is he aware that the people of Rothbury were extremely supportive of the police in the difficult task that they carried out, and that the police were very appreciative of that support at a time when the whole community felt seriously threatened?

Nick Herbert: I am sure that my right hon. Friend's comments will have been noted. As he knows, the Under-Secretary of State for the Home Department, my hon. Friend the Member for Old Bexley and Sidcup (James Brokenshire), visited Rothbury yesterday and met local police and residents to discuss those issues. However, my right hon. Friend will understand that the Government cannot comment further, given that two people have been charged with conspiracy to murder and that there is an IPCC investigation.

Maria Eagle (Garston and Halewood) (Lab): Does the right hon. Gentleman recognise the importance of multi-agency risk assessment conferences in communicating between prisons, the police and others on any ongoing threats posed by specific perpetrators of domestic violence, and therefore in stopping that ongoing violent criminality in particular cases? Given that domestic violence accounts for 14% of all violent incidents, that almost 80% of victims are women, and that increasing focus on taking that crime seriously led to a 64% fall in its prevalence between 1995 and 2008, will he guarantee that MARACs will continue and even that they will be placed on to a statutory footing?

Nick Herbert: I am afraid that I cannot offer guarantees to the hon. Lady, but we can say in relation to that specific case that it is very important that all the lessons are learned about appropriate information sharing. The Government understand the significance of the domestic violence issues that she raises.

Administrative Penalties

2. **Mr Dominic Raab** (Esher and Walton) (Con): What plans the Government have to review the use of administrative penalties. [9412]

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): The Government are undertaking a full assessment of sentencing policy to ensure that it is effective in deterring crime, protecting the public, punishing offenders and reducing reoffending. We are considering our approach to out-of-court penalties as part of this work.

Mr Raab: I thank the Minister for that answer. By 2007, fewer than half the offenders brought to justice—on the previous Government's measure—had ever seen or been passed through the dock of a court. A man who glassed a pub landlady recently was cautioned, and a serial thief was issued with a dozen on-the-spot fines. What plans does he have to reverse Labour's pay-as-you-go crime policy, and does he agree that magistrates courts have a vital role to play?

Mr Djanogly: The number of out-of-court disposals administered each year has risen by 135% since 2003. Such disposals now account for 40% of all offences brought to justice. However, during the same period, the number of convictions at court has remained broadly stable, suggesting that out-of-court penalties are expanding the number of offenders who are dealt with rather than being used as an alternative to prosecution.

Community Service Sentences

3. **Angie Bray** (Ealing Central and Acton) (Con): What plans he has for the future of community service sentences. [9413]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): Our plans are to ensure that community sentences are tough, effective and rigorously enforced, and that they punish offenders, but steer them off drugs and alcohol and into employment. We are conducting a full assessment of sentencing policy, including asking judges and magistrates for their views on which community sentences are the most effective.

Angie Bray: I thank my hon. Friend for that answer. Many of my constituents hold to the old-fashioned notion that justice should not just be done, but be seen to be done, and they do not have much faith that community service sentences will deliver on that. How can he reassure my constituents that community service sentences will be robust and not a soft option?

Mr Blunt: We believe that making community sentences tougher in delivering punishment—especially looking at the operation of community payback—and more effective in delivering rehabilitation, restoration and the protection of the public, will help to show that people can have increasing confidence in such sentences. Achieving those objectives will be an important element of our assessment of sentencing policy.

Mr David Hanson (Delyn) (Lab): If the Minister is to increase the number of community sentences as the Justice Secretary wishes to do, can he give the House an indication of how much money he intends to transfer to the probation budget, given that it has an in-year cut this year of £20 million? Can he also tell us which sentences of under six-months he thinks are inappropriate, given that at present they are available for offences such as assault on a police officer, domestic violence, child abuse and firearms offences? Indeed, three quarters of people sentenced to under six months have committed seven or more offences.

Mr Blunt: On the latter point, the right hon. Gentleman will have to wait until the sentencing review when we will bring forward our detailed proposals, which—I am sure—will hang together in a properly co-ordinated manner. He must also appreciate that the economic inheritance that this Government received—*[Interruption.]* There is no point hon. Members groaning. It is a fact of life that an increase in budgets in the environment that we inherited is simply not going to happen.

Rehman Chishti (Gillingham and Rainham) (Con): With regards to the sentencing review, will the Minister consider the use of more judicial discretion—unfortunately removed by the previous Government—thereby trusting our judiciary?

Mr Blunt: My hon. Friend has alighted on a principle that the Justice Secretary has already enunciated.

Human Rights Act 1998

4. **Mr William Bain** (Glasgow North East) (Lab): What assessment he has made of the effectiveness of the Human Rights Act 1998. [9414]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): In the coalition agreement, the Government committed to establishing a commission to investigate the creation of a Bill of Rights. The scope of the commission and its terms of reference will be announced in due course, but it is my expectation that in the course of its work the commission will consider the experience of the Human Rights Act 1998.

Mr Bain: I am grateful to the Lord Chancellor for that response. Does he agree that, on the 10th anniversary of the implementation of the Act, domestically enforceable and universally applicable human rights are one of the best checks on Executive power that we have, and does he agree with the remarks that he made in *The Daily Telegraph* on 27 June 2006 that to repeal the Human Rights Act would be an act of "xenophobic and legal nonsense"?

Mr Clarke: We are going to review in due course every aspect of the working of the Human Rights Act in the light of that 10 years of experience. I agree that there are very important protections for human rights, and there is no question of moving away from the European convention on human rights. The coalition agreement does not contemplate that. Actually, the changes that have taken place in British common law, with the huge enlargement of the scope of judicial review—which includes reviews of all ministerial decisions and of legislation current in the House—have also greatly altered the scene. Sometimes that gets confused with the European convention on human rights. I have given a range of views in the past and no doubt we will consider those views carefully in the light of the report that we eventually get from the commission.

Dr Julian Huppert (Cambridge) (LD): Is the Lord Chancellor aware of the book by the hon. Member for Hereford and South Herefordshire (Jesse Norman) and Peter Oborne entitled "Churchill's Legacy: The Conservative Case for the Human Rights Act"? Will he encourage his right hon. and hon. Friends to read it and thereby dispel the many myths about the Act? The Human Rights Act exists for all of us: what is not to like?

Mr Clarke: The European convention on human rights was produced after the second world war, largely at the instigation of Churchill and others, to ensure that the whole continent developed in line with those values for which the British had fought the war. The principal architect and draftsman of the convention was a man called Maxwell Fyfe. I recall that history because it is relevant to this issue, and we have to improve public understanding of the application of human rights in British law as well as reviewing the operation of the Act.

Mr Jack Straw (Blackburn) (Lab): The right hon. and learned Gentleman said that he had had a range of views on whether the Human Rights Act should be repealed, but he has actually had one view, which he has repeated over and over again—he even described the Prime Minister's proposal as "anti-foreigner". Given

that consistency, which I commend the right hon. and learned Gentlemen on and welcome because it was supporting a Labour policy, and given that, as he well knows—because he is a very bright man—the issue is not the European convention on human rights but the Human Rights Act passed by this Parliament, will he now rule out the abolition of the Act?

Mr Clarke: I do not mind being quoted from my freelance days on the Back Benches. However, in their enthusiasm to find quotes, people find the odd word and attribute them to things. I never accuse any of my colleagues of being anti-foreigner. Part of the confusion about the European convention tends to be that somehow it is not British, which I just addressed in pointing out that it was drafted by David Maxwell Fyfe and very much supported by the British Government and both main parties at the time. The Human Rights Act has now had 10 years, and it is time to review it. There is a range of views and sometimes concern in this country about exactly how it relates to Parliament and where our constitution now is on these matters. In due course, we will set up a convention to advise us on that.

Magistrates Courts

5. **Mr Elfyn Llwyd** (Dwyfor Meirionnydd) (PC): How many representations he has received (a) in favour of and (b) against his recent proposals to close a number of magistrates courts; and if he will make a statement. [9415]

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): We are four weeks into a 12-week public consultation process. As such, the responses to each of the 16 consultation papers have not yet been collated and analysed. This will happen once the consultation closes on 15 September. However, I can confirm that, as of 15 June, there had been 20 letters to Ministers in this Department from hon. Members and Welsh Assembly Members regarding the proposals. Two Adjournment debates on the consultations have also been held.

Mr Llwyd: I am grateful for that detailed response. I have the great pleasure and honour to represent the good people of Dwyfor Meirionnydd, which is 100 miles from north to south and 90 miles from east to west. It currently has two magistrates courts. Under the Government's plans, however, that will be down to one, making a complete and utter mockery of any idea of local justice. May I ask the Minister to think again and consider carefully—and I mean carefully—all the consultations and replies he gets? In the meantime, will he ask his right hon. and learned colleague, the Secretary of State for Justice, to extend the consultation period, because in my 20 years in this place I have never known a serious consultation to take place during August?

Mr Djanogly: The hon. Gentleman says we should think again, but we are thinking—we are in a consultation process, to which he is entitled and welcome to make comments. There is one court in his constituency on whose closure we are consulting. It is envisaged that work from this court will be transferred to Caernarfon magistrates court, which is approximately 20 miles away. The court in question has a very low utilisation rate, at just 28.9%. It sits two days per week in one courtroom and its facilities are generally considered to be inadequate.

Alun Cairns (Vale of Glamorgan) (Con): Will the Minister take into account, when making a decision on the closure of the magistrates courts, the facilities and the wider social implications of individual court closures? Barry magistrates court has separate entrances for witnesses and defendants, which is an important consideration in a range of cases, particularly those of domestic violence. Will that sort of issue be a factor?

Mr Djanogly: We remain committed to supporting local justice being administered in magistrates courts, but my hon. Friend would be wrong to confuse community justice, access to justice, efficient justice, speedy summary justice or timely administration with bricks and mortar.

Crown Dependencies

6. **Tom Greatrex** (Rutherglen and Hamilton West) (Lab/Co-op): What recent representations he has received on his Department's responsibilities in relation to the Crown dependencies. [9418]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): I am unsure quite what kind of representations the hon. Gentleman has in mind. As he would expect, however, the Ministry of Justice constantly receives a wide range of communications in relation to its responsibilities for the Crown dependencies.

Tom Greatrex: The representations that I had in mind were from Crown dependencies such as the Isle of Man. Can the right hon. and learned Gentleman assure me that he and his ministerial colleagues in the other place, who I gather have responsibility for Crown dependencies in his Department, will consult with the Crown dependencies if there is any suggestion that responsibility for them be moved to another Department, so that the important distinction between Crown dependencies and overseas territories is recognised throughout the civil service?

Mr Clarke: As the hon. Gentleman says, it is my right hon. Friend Lord McNally who takes a lead in our Department on the Crown dependencies. I will certainly take note of what the hon. Gentleman says about any question of changing ministerial responsibility, but I should point out that this is a matter for my right hon. Friend the Prime Minister and the Cabinet Secretary. However, I take on board the hon. Gentleman's views and will ensure that they are disseminated among those responsible.

Complaint Systems (Victims of Crime)

7. **Alun Michael** (Cardiff South and Penarth) (Lab/Co-op): What steps he is taking to ensure the effectiveness of complaints systems for victims of crime and others within the criminal justice system. [9419]

The Minister of State, Ministry of Justice (Nick Herbert): Policies are in place in individual criminal justice agencies to respond to complaints from victims and others. Improving the ability of victims to hold services to account and gain redress when things go wrong will be considered as part of a full review of victim and witness policy and services.

Alun Michael: I am grateful to the Minister for that reply. If somebody has a complaint that their situation is being dealt with badly by the system, it is often difficult to know whether that is the fault of the police—in which case there is the Independent Police Complaints Commission, which is an effective system—or the Crown Prosecution Service, which does not have an adequate complaints system, and that means that people fall through the gaps. Will the Government take that into account as part of the review?

Nick Herbert: We will. I appreciate the right hon. Gentleman's long-standing interest in such issues and some of the proposals that he has made in relation to them. We aim to improve the accountability of service providers and redress for complainants through the criminal justice system. It is important that we should address the fact that there can be confusion on the part of victims about whom they should complain to.

Mr David Burrowes (Enfield, Southgate) (Con): Last week an Enfield magistrate complained to me about the waste of court time. That magistrate spends one day a week dealing with prosecutions for dropping cigarette butts. If such cases are to be prosecuted, surely it would be in the best interests of the taxpayer and justice for them to be heard in a town hall, rather than in a courthouse.

Nick Herbert: It is important for us to look at the opportunities for the administration of justice that lie outside buildings. There has been the development of what became known as the "summary justice agenda", which is actually administrative justice, with things such as penalty notices for disorder. However, I would be happy to talk to my hon. Friend about whether the case that he has raised has been dealt with in an appropriate manner.

Mr Jack Straw (Blackburn) (Lab): The Minister of State will recall that at Justice questions on 15 June, he said in answer to me:

"We are aware of the important work that the National Victims' Service is planning to do."—[*Official Report*, 15 June 2010; Vol. 511, c. 733.]

Given that, I am surprised that there is no reference whatever to the National Victims' Service in the just-published draft structural plan for his Ministry. I wonder whether he could explain the omission of any reference to that service.

Nick Herbert: I do not think that the right hon. Gentleman should read anything into that omission. I said then—and I say now—that we are reviewing in full the arrangements to ensure that victims are treated properly by the criminal justice system. Perhaps he will have already seen the strong speech that is to be made by the victims commissioner on such issues this evening. We take those issues immensely seriously, as we do to ensuring that justice is done for victims.

National Offender Management Service

8. **Anna Soubry** (Broxtowe) (Con): What plans he has for the future of the National Offender Management Service. [9420]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): The original objective of the National Offender Management Service was more effectively to deliver prison and probation services in a co-ordinated way. The current structure has not worked as well as predicted and will not best serve the objectives of coalition policy towards the rehabilitation of offenders and the involvement of social investors, and the private and voluntary sectors in this work. Therefore, the structure of the National Offender Management Service is being considered not only as part of the Department's overall contribution to the spending review, but to ensure the effective delivery of prison and probation services in the light of this autumn's Green Paper on the new approaches to rehabilitation and the review of sentencing policy. That work will also reflect the three strands of the big society agenda, which my right hon. Friend the Prime Minister announced yesterday: social action, public service and community empowerment.

Anna Soubry: I am grateful to the Minister for that answer. Can he assist by saying what opportunities will exist for probation trusts when we consider our rehabilitation reforms?

Mr Blunt: I am grateful to my hon. Friend for her question. Today's probation trusts possess the nation's professional expertise on offender management. We want to release all our capacity—public, private and voluntary—to effect a revolution in how we provide for rehabilitation of offenders. No organisations are better placed to deliver that than today's probation trusts. I hope that they seize this chance, which is why I have asked the Probation Association and the Probation Chiefs Association to work urgently with my officials to help shape our Green Paper proposals. I am confident about what probation trusts will be able to achieve.

Chris Leslie (Nottingham East) (Lab/Co-op): I recommend the Minister deal with the point that I believe the hon. Lady was raising. In Nottinghamshire, there is certainly a strong case for a probation trust, but irrespective of whether we have a particular type of structure on offender management, do not the cuts to the prison budget—and, indeed, as we have heard today, the cuts to the probation service—show that the big society to which he referred is actually a euphemism for allowing prisoners to roam free within the community at large?

Mr Blunt: No, it is not. The hon. Gentleman and all his right hon. and hon. Friends are going to have to get used to the fact that we are going to do things rather differently. We are going to pay for outputs, not direct inputs or have targets or over-control our public services by instructing them precisely how to achieve their objectives. One way in which we are going to increase our capacity for offender management is, I hope, to enable probation trusts to be able to affect the involvement of the whole community—including the private, the voluntary and charitable sectors—to increase our nation's capacity to deal with offenders and to rehabilitate them effectively.

Defendant Anonymity (Rape Cases)

9. **Meg Munn** (Sheffield, Heeley) (Lab/Co-op): If he will conduct a public consultation on whether to grant anonymity to defendants in rape cases. [9421]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): As I told the House in the full-day debate of 8 July, the Government are minded to strengthen anonymity before charge. We want to hear the views of those who may have any new evidence to assist our deliberations, and we will bring our conclusions to Parliament in the autumn. However, since the principal points of judgment around the issue are clear and very narrow—not least in the light of our excellent debate 12 days ago—the Government do not propose to manage a full, formal public consultation.

Meg Munn: I thank the hon. Gentleman for his answer. Has he considered the fact that, under his current proposals for anonymity up until charge, somebody arrested on suspicion of rape but then charged with sexual assault would enjoy anonymity, whereas somebody arrested on suspicion of sexual assault but then charged with rape would not enjoy anonymity under the coalition's proposals?

Mr Blunt: We are now dealing with quite a narrow point because it was agreed in 2003—*[Interruption.]* It is quite a narrow point; it was agreed on both sides of the House when the Sexual Offences Act 2003 went through Parliament that all people charged with offences ought to have their identity protected until the point of charge. That is the guidance that the Press Complaints Commission put into effect in 2004. There is an issue around the strength of that guidance and, as I said in the debate 12 days ago, we are not satisfied that it is strong enough. We want in the first instance to try to find a non-statutory solution, and given that we had 21 Criminal Justice Acts passed over the 13 years of the last Administration, I am sure that Labour Members will understand why we are loth to find even more statutes to put on the statute book.

Maria Eagle (Garston and Halewood) (Lab): Does the hon. Gentleman not understand that the point raised by my hon. Friend the Member for Sheffield, Heeley (Meg Munn) is one reason why this idea—it was tried before between 1976 and 1988—was abolished by a previous Conservative Government? It did not work. Given that this idea was in neither the hon. Gentleman's manifesto nor that of the Liberal Democrats, what possible reason can he have for failing to provide a proper consultation before changing the law in the ridiculous way he proposes to do?

Mr Blunt: First, when it was ended in 1988, it was not because it did not work. The hon. Lady should have paid rather more attention to the points put forward by the noble Lord Ackner in the 2003 debates when he spoke to his amendments on this subject. She should also note that the nature of rape changed, by definition, in the Sexual Offences Act 2003. All that means that the situation has changed since 1988.

Young Offenders

10. **Mr Graham Allen** (Nottingham North) (Lab): What recent representations he has received on his Department's policies to reduce the rate at which young people enter the criminal justice system; and if he will make a statement. [9422]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): I am not aware of any specific recent representations made on this topic. The Government want to ensure that young people do not enter the criminal justice system unless it is necessary. Our policies will be considered in the context of our comprehensive assessment of sentencing and rehabilitation.

Mr Allen: Is the Secretary of State aware that the best way of keeping young people out of a life of crime is to intervene early in their lives, so that they have the social and emotional capability to resist criminality? Will he commend the current project in Peterborough, where an early intervention bond has been created by Social Finance Ltd and St Giles Trust to ensure that offenders do not reoffend and that they leave the criminal justice system at the earliest possible moment? Is he willing to extend that experiment, which was introduced by the last Government, and to consider its possible extension throughout the criminal justice system?

Mr Clarke: I repeat the support that I have given before to the hon. Gentleman's campaign for early intervention. I entirely agree with what he says.

We are certainly very interested in the project that is about to get under way in Peterborough. It will have to be evaluated in due course, but my ministerial team will be following closely this system of raising capital finance by means of a social bond, and then targeting the need to reduce the rate of reoffending in a particular group. Reducing reoffending will be a key part of our policy, and this is an important way of trying out one method of tackling it. I hope that it succeeds.

Mary Macleod (Brentford and Isleworth) (Con): Does my right hon. and learned Friend agree that some of those young offenders are in the criminal justice system owing to their lack of a strong, solid education? What plans has he to try to ensure that something is done about that?

Mr Clarke: The present Government have an extremely important programme of education reform. Anything that can be done to raise standards of education and training in this country will, I believe, have an indirect impact on the number of people who drop out of society in some way and are tempted to start offending.

I agree that we need to look across the broad range of social policy, considering relationships between crime and housing problems, employment problems and education and training problems, if we are to achieve the improvement in our social fabric which, eventually, will continue to reduce criminality. Meanwhile, some young people are serious offenders. We do need a secure estate, and we do need to prosecute those from whom the public must be protected. I think that we would all welcome any measure that will successfully reduce the number of young people who are needlessly criminalised when they could be diverted into a more sensible way of handling their problems.

Mr David Hanson (Delyn) (Lab): Is the Justice Secretary aware that the rate of reoffending and entry into the youth justice system by young people fell by 10% during the last years of the Labour Government? That fall was due not least to the fact that we invested heavily in the

three-year youth crime action plan, the third year of which ends this year, 2010-11. It involves issues such as prevention, and includes the Peterborough project that the Justice Secretary has just endorsed. Will he give an indication of what plans he has to continue the youth crime action plan after this year?

Mr Clarke: I agree that there has been a reduction in the number of people entering the criminal justice system. Notwithstanding my usual caveats about all crime statistics, which can be used by Members on either side of the House to prove practically anything over whatever period they choose, I think that one thing on which we agree is the need to divert from needless criminality young people who can properly, in the public interest, be dealt with in some other way.

The youth crime action plan, and a number of other interesting experiments involving diversion out of the court system in which the last Government were engaged, will certainly be investigated and followed up by the new Government. We are not remotely partisan about the issue. We wish to look further for more outside experience of how best to tackle reoffending and the underlying problems of youth delinquency, in order to take more young people out of court and out of criminality.

Reoffending Rates

11. **Mrs Helen Grant** (Maidstone and The Weald) (Con): What the reoffending rate was for prisoners who had served custodial sentences of over 10 years in the latest period for which figures are available. [9423]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): Of the 125 adult offenders released from a custodial sentence of over 10 years in the first quarter of 2008, 6.4% committed at least one further offence in the one-year follow-up period. In contrast, among those serving custodial sentences of 12 months or less in 2008, the reconviction rate was 61.1%.

Mrs Grant: What are the Minister's views on short sentences for women? Does he agree that community sentences may be more effective in reducing the rate of reoffending by women?

Mr Blunt: Short sentences for men have proved pretty ineffective, and I think that short sentences for women are even more ineffective and deleterious. We support the conclusions of the Corston report, we are conducting an analysis of the effectiveness of different sentences as part of the current sentencing review, we are committed to reducing the number of women in prison, and a network of women-only community provision is being developed to support robust community sentences.

Perhaps at this point I should throw a bouquet to my predecessor, the hon. Member for Garston and Halewood (Maria Eagle), in recognition of her work in this regard. We propose to build on it.

Emma Reynolds (Wolverhampton North East) (Lab): Does the Minister agree that there is a serious risk of reoffending rates increasing in the next five to 10 years if the prison budget cuts result in less education and rehabilitation of prisoners?

Mr Blunt: The hon. Lady identifies the challenge we face. We as a nation have to increase our capacity to deliver education and all the other services that are required to assist in rehabilitating offenders. That is why we are going to effect a rehabilitation revolution which will involve that great army of people out there who want to help us and who have so far found our current structures very difficult to engage with. Moving to output-based measures will enable us to use the capacity of all those people who want to help us in the incredibly important work of rehabilitating offenders much more effectively than we have done to date.

Foreign National Prisoners

12. **Mr Philip Hollobone** (Kettering) (Con): What recent discussions he has had with (a) the UK Border Agency and (b) foreign Governments on the compulsory transfer of foreign national prisoners to detention in their country of origin. [9424]

The Minister of State, Ministry of Justice (Nick Herbert): Ministry of Justice officials have been in regular contact with their colleagues at UKBA to identify suitable prisoners for transfer under the additional protocol to the Council of Europe convention on the transfer of sentenced persons. A number of cases are currently being pursued. Discussions between officials of member states of the European Union on the implementation of the EU prisoner transfer agreement took place in April.

Mr Hollobone: We currently have the pleasure and privilege of paying for the board and lodging of 752 Nigerians in British jails at a time when we are giving that country £132 million a year in development aid. Her Majesty's Government have been negotiating with the Nigerian Government on the compulsory transfer of those prisoners since 2007. Could we urge them to get a move on?

Nick Herbert: I understand my hon. Friend's concern about this and note the ten-minute Bill he recently introduced. The Government believe that wherever possible foreign national prisoners should serve their sentences in their own country. Negotiations on a compulsory prisoner transfer agreement with Nigeria will be concluded as soon as changes to Nigerian domestic legislation have been made.

Keith Vaz (Leicester East) (Lab): In evidence to the Home Affairs Committee this morning, Lin Homer, the head of UKBA, told us that 14% of the prison population were foreign nationals and that 700 officials were working in her department on this issue. As it is a priority for the Government, is the Minister confident that he has sufficient staff dealing with what is a very important issue?

Nick Herbert: The Government are determined to improve performance in the removal of foreign nationals and in prison transfer agreements. The right hon. Gentleman will know that only 41 prisoners were transferred this year, but compulsory transfer has been available only since November 2009, so we expect performance to improve.

Universal Jurisdiction Offences (Prosecution)

13. **Mr Matthew Offord** (Hendon) (Con): Whether he plans to bring forward proposals to change the law so that only the Crown Prosecution Service will be able to initiate prosecutions for universal jurisdiction offences. [9425]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): The Government consider it unsatisfactory that an arrest warrant for such offences can be issued on the application of a private prosecutor on the basis of evidence that would be insufficient to sustain a prosecution. We are urgently considering how to proceed and expect to make an announcement shortly.

Mr Offord: Does my right hon. and learned Friend agree that Britain is unable to play a leading role in the diplomatic world if foreign politicians cannot visit this country without fear of arrest?

Mr Clarke: Of course we must enforce properly in respect of war crimes and other matters of universal jurisdiction where proper cases arise, but I agree with my hon. Friend that it is not in any sense in this country's interests that people can be arrested upon arrival on a level of evidence that would not remotely sustain a prosecution, which is why we intend to address this matter and to make an announcement in the very near future.

Prisoner Numbers

14. **Kevin Brennan** (Cardiff West) (Lab): What steps he plans to take to reduce the number of people in prison. [9426]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): Over the coming months we will look in detail at the sentencing frameworks for adult and young offenders, as well as at the range of penalties available in the criminal justice system. That means introducing more effective policies, as well as overhauling the system of rehabilitation to reduce reoffending. We will take the time necessary to get it right and will consult widely before bringing forward full plans for reform.

Kevin Brennan: Will the Secretary of State give the House three examples of the kind of criminals currently in jail who will not be in prison under his plans?

Mr Clarke: I will not anticipate the sentencing review. *[Interruption.]* No, I will not. The last person I met in jail who clearly should not have been there had been sent to prison because he was in dispute with his ex-wife over the maintenance he was supposed to pay for their children. Of course he was under an obligation to pay for his children, but providing a place for him in jail was not the best use of prison. Anybody who visits a prison will find people who are there for rather surprising combinations of reasons, some of which are far away from those relating to serious crimes.

Prison is the most effective punishment we have for serious criminal offenders. There is a continuing case, and there always will be one, for protecting the public against the activity of serious offenders by imprisoning them. However, in recent years, we have not paid enough attention to how, at the same time, we minimise the risk of reoffending, seek to reform those in prisons and divert them away from future crime, and eventually ensure that there are better and more effective ways of dealing with those who are capable of being dealt with.

Miss Anne McIntosh (Thirsk and Malton) (Con): Will my right hon. and learned Friend carefully examine the early release scheme pursued by the previous Government, which led to a very high proportion of those released early going on to reoffend, to great harm to the British public?

Mr Clarke: That was not a policy; that was a catastrophe. The previous Government went through a phase of allowing their rhetoric and some of their policy intentions to outrun any serious common sense and then found that they had to let people out early, before they had finished their sentence, because they could not physically get them into prisons. Whatever else comes out of a sentencing review, I trust that we will avoid any nonsense of that kind in our period of office.

Caroline Flint (Don Valley) (Lab): Evidence suggests that 75% to 90% of rapes go unreported, and I hope that the whole House will try to deal with that situation to improve it. Is the Justice Secretary at all worried that his plans to provide anonymity for defendants in rape trials will contribute to fewer rapists going to prison?

Mr Clarke: I do not think that there is anybody in this House—and there has not been for as long as I can remember—who is not in favour of anonymity for people who make complaints of rape and who does not think it extremely important to encourage women to come forward on all proper occasions to press complaints about the serious criminal offence of rape. The issues surrounding anonymity for the person accused are quite different from that, and the Under-Secretary of State for Justice, my hon. Friend the Member for Reigate (Mr Blunt), has just addressed those questions. This is a matter of how far we can protect those people, and others accused of criminal offences, up to the time of charge. That approach was agreed by those on both sides of this House in the not-too-distant past—in the previous Parliament—and it probably will eventually be agreed in this Parliament too.

Short Prison Sentences

15. **Ian Swales** (Redcar) (LD): What mechanism he plans to introduce to reduce the use of short prison sentences; and if he will make a statement. [9427]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): We are conducting a full assessment of sentencing policy to ensure that it is effective in deterring crime, protecting the public, punishing offenders and cutting reoffending. Short custodial sentences will be considered as part of that assessment, and we will be asking judges and magistrates for their views on these sentences and on community sentences.

Ian Swales: I thank the Secretary of State for that answer. In the case of non-violent young offenders, will he support restorative justice programmes, such as

neighbourhood justice panels, which are much more successful in reducing crime than traditional forms of punishment?

Mr Clarke: We are very interested in taking further the idea of restorative justice. Some very interesting experiments in youth restorative justice are under way and they will be carefully evaluated. In all these matters, evaluation is extremely important. People come forward with extremely enlightened and attractive views on how reoffending might be reduced or on how youth offenders might be diverted from the prison system, some of which work and some of which, alas, do not. One has to take a realistic look at them and evaluate them after a sufficient experiment to decide what works. On rehabilitation generally, that is one of the main reasons why we will concentrate on paying by results, wherever possible.

Mr George Howarth (Knowsley) (Lab): Does the Secretary of State accept, though, that short sentences might have a role to play in cases where a probation order or a community sentence has failed?

Mr Clarke: I am not sure where the idea that I am against all short sentences has come from. A short sentence is usually taken to mean any sentence of less than 12 months. My own view, pending this review, has always been that there is indeed a case for some short sentences where there is no realistic alternative and one is dealing with a recidivist offender. Wherever possible, of course, the pointless short term of imprisonment should be avoided where a really effective and convincing community penalty is available in its place.

Wisbech Magistrates Court

16. **Stephen Barclay** (North East Cambridgeshire) (Con): What account he took of the availability of public transport in rural areas around Wisbech in his decision to propose the closure of Wisbech magistrates court. [9428]

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): In selecting courts on which to consult, one of the key principles applied was to try and ensure that people should not have to make excessively long or difficult journeys to attend court. Although it is important, proximity to a court should not be the only consideration—we need also to consider the speed with which cases are dealt with and the quality of the facilities at our courts. We also want to explore ways we can harness technology more effectively so people do not necessarily physically have to attend court when accessing court services.

Stephen Barclay: I thank the Minister for that reply and for the constructive way in which he is consulting. As he says, proximity is not the only factor but what is relevant is how many people are affected by a journey of more than 60 minutes. Will he clarify which year he is using to assess the population given that Fenland has seen a significant increase in its numbers in recent years? Will he allow for the housing trend where planning permission has already been given?

Mr Djanogly: We are consulting on one court in my hon. Friend's constituency, Wisbech. As my hon. Friend noted, it is envisaged that work from that court will be transferred to Peterborough magistrates court, which is approximately 23 miles away. Travel times and distances will be constant from various locations within the constituency, so population is only one aspect to consider. We must also consider the frequency of court attendance, which is very low in Wisbech, with a utilisation of only 37%.

Topical Questions

T1. [9435] **Mr Graham Allen** (Nottingham North) (Lab): If he will make a statement on his departmental responsibilities.

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): My departmental responsibilities remain unchanged, but may I take this opportunity to point out to the House and to the hon. Gentleman that I have today made a written statement setting out plans for the implementation of the Bribery Act 2010? This important piece of legislation from Parliament reflects cross-party support for anti-bribery measures and its effective implementation is a priority for me in my role as the coalition's international anti-corruption champion—*[Interruption.]* I used to shadow Lord Mandelson—he had more titles than I have. The new framework of offences will replace the old and fragmented mix of statutory and common law offences and they should facilitate a more effective criminal justice response to bribery. An important part of the implementation is a public consultation on the guidance to be produced under section 9 of the Act. We want the formulation of this guidance to be informed by the expertise of the business community, specialist anti-bribery organisations and others with informed opinions. I expect this process to allow us to publish guidance early in the new year, in time for the commencement of the Act in spring 2011.

Mr Allen: May I welcome the Secretary of State's recent remarks about tackling the causes of crime as well as crime itself? Will he bear in mind the words of John Carnochan, the hard-bitten head of homicide in Glasgow who, having dealt with offenders who had committed serious and violent crimes who were the sons and grandsons of offenders, said that given the choice between 100 extra police officers and 100 health visitors, he would choose the health visitors given his intergenerational experience? Will the Secretary of State will the means as well as the ends in tackling the causes of crime?

Mr Clarke: I am afraid that the Government have inherited a situation, for which I blame the previous Government, in which we must tackle these solutions against a background of not simply being able to wheel in more resources. The first step is to make cuts in wasteful expenditure now. I accept quite a large part of the hon. Gentleman's analysis and we should also consider how we look across all Government Departments and all sectors—we must take into account health, housing, employment, education and training at the same time as we consider policing, justice and imprisonment—because the whole picture contributes to the broken society and tackling it will help to contribute to a less criminal society.

T2. [9436] **Mr Robert Buckland** (South Swindon) (Con): In the light of the Legal Services Commission's recent misallocation of duty solicitor scheme membership and duty rotas for criminal legal aid work, will my right hon. and learned Friend undertake an urgent review of the LSC's continuing inefficiencies?

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): My hon. Friend has just made serious accusations of mismanagement, and I shall certainly consider the issues that he has raised and get back to him shortly.

T4. [9438] **John Robertson** (Glasgow North West) (Lab): The Secretary of State should be aware that the Justice Minister north of the border has said that any questions regarding al-Megrahi resided with the United Kingdom Government. If that is true, will the Secretary of State make a statement? If it is not true, can he put the record straight?

Mr Kenneth Clarke: My understanding is that this was a decision solely for the Scottish Government and that it was taken on humanitarian grounds. Plainly, it predates my period of office, and that just about sums up my full knowledge of the situation, so I am not in a position to make a statement.

T3. [9437] **Robert Halfon** (Harlow) (Con): Following today's newspaper reports, will the Secretary of State ensure that we will never again release a mass murderer who was convicted by British courts, letting them out of prison on dubious health grounds and where there are murky commercial interests and sending them away to be lauded by a dictatorship?

Mr Clarke: My hon. Friend takes a particular view of the facts. From the Dispatch Box, I must take the view that the decision was taken by the Scottish Government on the declared basis of humanitarian grounds. No Minister of the Crown—certainly not me—is in a position to add to that.

Stella Creasy (Walthamstow) (Lab/Co-op): Given the proposed review of legal aid, does the Justice Secretary agree that the problems faced by the Refugee and Migrant Justice organisation because of the late payment of fees and the lack of clarity about the number of current cases affected—the Home Office has told me that it is 5,000 and the Legal Services Commission has admitted that it simply does not know—mean that it is vital for the Government to intervene until these problems are resolved to prevent that organisation from going into administration and to avoid the possibility of further chaos, with expense, within our asylum system?

Mr Djanogly: I am pleased that the hon. Lady has brought up this important issue. The RMJ was maintaining that it had 10,000 clients, but the administrators who went into that organisation to put it into administration assessed the number of clients at more like between 4,000 and 5,000. What is important is the clients. We need to move on from the administration of that organisation to concentrating on its clients, and I assure her that the Department and I are doing exactly that.

T5. [9439] **Dr Thérèse Coffey** (Suffolk Coastal) (Con): Having read the published figures that one in seven of our prisoners are non-UK nationals—according to recent statistics, 585 of them are from Vietnam—does the Minister agree that we could save some of the money spent on UK prisons by transferring those prisoners, perhaps also paying or giving aid to their Governments, perhaps up to 25%, to house them in their jails? That would save money for the UK taxpayer and would put foreign prisoners where they belong.

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): There are already a number of schemes to encourage foreign national prisoners to go home and serve their sentences there. As I said in the last Justice questions, we will have to work very hard in this respect. I have noted the comment of the Chairman of the Home Affairs Select Committee about the fact that some 700 people in the UKBA are working on it, which gives some idea of the priority that it has. I assure my hon. Friend and all hon. and right hon. Members that that level of priority will continue. We need to save the money that we should not be spending on imprisoning foreigners in our jails.

Caroline Lucas (Brighton, Pavilion) (Green): Following the revelations at the weekend that some quite shocking restraint methods are authorised in the "Physical Control in Care" manual for use by staff in secure training centres for children, will the Secretary of State introduce an explicit ban on corporal punishment in secure training centres and other youth offender institutions? Will he establish a public inquiry, chaired by a member of the judiciary, to establish the compatibility of practices in secure training centres with article 3 of the European convention on human rights?

Mr Kenneth Clarke: Of course, we keep under review the very careful guidance about the use of restraint techniques in those circumstances, and it is a matter of regret that such guidance has to be issued. However, the hon. Lady should bear it in mind that we are talking about children and young people, some of whom are much bigger than I am and who probably have a problem with drug abuse and a history of violent crime. The completely unarmed staff have to be given some instructions in how to control those young people when they are getting out of control and it is not always easy or possible to use totally restrained methods.

T7. [9441] **Mr Peter Bone** (Wellingborough) (Con): All members of the European Union have signed the Council of Europe convention on the transfer of sentenced persons, yet we still have 3,100 EU nationals in our jails. The Secretary of State and I share an enthusiasm for the European Union, so will he co-operate with the EU and repatriate those prisoners?

Mr Blunt: Unfortunately for my hon. Friend, I am afraid that that agreement does not come into force until December 2011. I note that the Irish apparently have an opt-out on it and that it will take five years for the Poles to make it fully applicable, but with those exceptions aside, I assure him that we will implement that agreement absolutely as soon as it comes into force.

Fiona Mactaggart (Slough) (Lab): Does the Secretary of State agree with the retiring chief inspector of prisons Dame Anne Owers that a reason for the reduction in young people coming into the criminal justice system is the effect of Sure Start? If he does agree with her, will he speak to colleagues across the Government about investing in Sure Start, rather than in youth jails, because it is cheaper and works better?

Mr Kenneth Clarke: We are, of course, having to address Sure Start, as with every other programme, in the light of the resources—or rather lack of them—that we have inherited as a result of the economic situation.

but the Government are concentrating Sure Start on its original priority purpose, which was particularly to target areas of deprivation and social difficulty. That part of Sure Start's work does indeed have some relevance to what we have been talking about in our exchanges on youth justice and how to keep people out of criminality in their youth.

T8. [9442] **Mark Menzies** (Fylde) (Con): Will the Minister pay tribute to Winston Churchill, who, exactly 100 years ago today, as Home Secretary, commented:

"The mood and temper of the public in regard to the treatment of crime and criminals is one of the most unfailing tests of the civilisation of any country."?

Mr Blunt: I am grateful to my hon. Friend. Of course, it is a delight to offer a tribute to the greatest parliamentarian of the 20th century. Right hon. and hon. Members should note that today is precisely the 100th anniversary of one of the great speeches on prison reform, given by Winston Churchill while he was in his Liberal phase. I am delighted that I will mark that anniversary by speaking to the National Association for the Care and Resettlement of Offenders. I am sure, Mr Speaker, that you will allow me to use the final phrase of that speech 100 years ago, when Churchill said:

"an unfaltering faith that there is a treasure, if you can only find it, in the heart of every man—these are the symbols which in the treatment of crime and criminals mark and measure the stored-up strength of a nation, and are the sign and proof of the living virtue in it."—[*Official Report*, 20 July 1910; Vol. 19, c. 1354.]

Those are measures that we will live up to.

Mr Speaker: We are very grateful, but I think that it sounded a bit better from Churchill.

Chris Bryant (Rhondda) (Lab): And I should say that the people of the Rhondda remember Churchill's period in relation to the Tonypandy riots. However, the Lord Chancellor has responsibility for marriage law, and he will know that the law forbids civil weddings from including religious readings or music, even though many people who are not able to get married in church or who do not want to do so would like to have such readings. The Government say that they will allow that for civil partnerships, but not for civil weddings. Can we not have a little more equality for heterosexuals?

The Minister of State, Ministry of Justice (Nick Herbert): I am answering this question because I am the only one in the village. *[Laughter.]* I apologise to the hon. Gentleman for the fact that his question was transferred. The Equality Act 2010 removed the express prohibition on civil partnership registrations taking place on religious premises. In response to that amendment of the law, the Government are committed to talking to those with a key interest in how to take this forward. That will include consideration of whether civil partnerships should be allowed to include religious readings, music and symbols, and the implications for marriage will have to be considered as part of that.

T10. [9444] **Mark Lancaster** (Milton Keynes North) (Con): Can the Minister tell the House whether his Department has undertaken any study of the comparative costs of trials in magistrates courts and Crown courts?

Mr Djanogly: The average daily costs in Crown courts are more than double those of magistrates courts at about £1,700, compared with £800 a day, and Crown court cases take much longer of course. That is why it is imperative that we rebalance cases between magistrates courts, operating at some 64% of capacity, and Crown courts, operating at full capacity, to ensure that we get value for money.

Derek Twigg (Halton) (Lab): Will the Secretary of State's Department honour in full, and on the same basis as the previous Government, the release of files relating to the Hillsborough disaster?

Mr Kenneth Clarke: The National Archives and my Department will continue to co-operate with the ongoing work to get the files released, which we hope to be able to facilitate. Our Department will play its part, together with the National Archives, for which we are responsible.

Tom Brake (Carshalton and Wallington) (LD): On the subject of magistrates courts, will Ministers consider seriously any proposal from magistrates that would have them hearing cases in venues other than courts so that they can continue to deliver local justice locally?

Mr Djanogly: The answer to that is yes, especially in the context of an increased use of technology.

Thomas Docherty (Dunfermline and West Fife) (Lab): On Sunday evening, Radio 4's "File on 4" programme made serious allegations about Isle of Man shipping companies' involvement in sanction-busting shipments of arms to Sudan. Given that the Secretary of State has responsibility for the relationship between the Isle of Man and the UK Government, will he hold urgent discussions with the Isle of Man Chief Minister to ascertain what, if any, truth there is to those allegations?

Mr Kenneth Clarke: I will certainly follow up that matter as I did not hear the "File on 4" programme. Obviously, the Isle of Man has a good, functioning system of justice and we can confidently expect it to enforce criminal law and international sanctions to the standards that we would expect. However, I will ensure that we contact the Isle of Man to ensure that everything that can properly be done is being done to ensure that no breach of international sanctions that could be prevented is being allowed to go ahead.

Duncan Hames (Chippenham) (LD): In the light of the Government's review of non-departmental public bodies, what plans does the Justice Secretary have for the future of the Office of the Public Guardian?

Mr Clarke: We are reviewing it, although we have no immediate intentions that we are withholding. We are looking across the whole field of the Department, and we will reduce the number of so-called arm's length bodies, quangos and agencies. The Office of the Public Guardian carries out quite an important function, however, so I do not think that we will make any changes there unless we are quite confident that its key responsibilities can be properly discharged.

Huw Irranca-Davies (Ogmore) (Lab): The annual report on Parc prison by the independent monitoring board singled out the work of the Prince's Trust and the excellent staff in the young persons unit for particular

praise, which I am sure that Front Benchers will join me in echoing. Every time that we ask for continued investment in such units—the report said that the unit needed more investment—we hear that there is no money, so if the Secretary of State is going to use that excuse, how will the big society ensure that we have less reoffending when these young people come out of jail?

Mr Clarke: We will produce positive policies on criminal justice, prison reform and the rehabilitation of offenders, but we have to do that on the basis of a realistic appraisal of the current state of the economy. We have inherited the worst financial and fiscal crisis of modern times. We have succeeded a Government who simply borrowed ever more money and who threw money at every problem, often with a considerable lack of success for public protection. I endorse what the hon. Gentleman says about the work of the Prince's Trust and others throughout our Prison Service, but he will have to find a positive contribution to policy making, rather than saying just, "Let's borrow and spend more public money," because that is ruled out for the immediate future.

Several hon. Members *rose—*

Mr Speaker: Order. I am afraid that all good things come to an end.

Office of Tax Simplification

3.33 pm

Mr Liam Byrne (Birmingham, Hodge Hill) (Lab) *(Urgent Question)*: To ask the Chancellor of the Exchequer if he will make a statement on the structure and approach of the Office of Tax Simplification.

The Exchequer Secretary to the Treasury (Mr David Gauke): I am grateful for the opportunity to update the House on the establishment of the Office of Tax Simplification, further to the written ministerial statement that I laid before the House this morning.

The need for simplification in the UK tax system is clear. The quality of our tax law is a major determinant of our economic competitiveness. A complex tax system creates uncertainty and instability, which sends the wrong signal to international businesses looking to invest in the UK and so damages our economic growth. A complex tax system also means that businesses end up spending more time dealing with their tax affairs and less time on their core business. That can be particularly burdensome for smaller businesses.

We set out our proposed approach for reforming the tax policy-making process in a discussion document that was published alongside the Budget last month, but as well as reforming the way in which we develop new tax law, there is also significant work to be done to correct the mistakes of the past by reducing the complexity in the British tax system. That is where the Office of Tax Simplification comes into play.

In his Budget statement of 22 June, my right hon. Friend the Chancellor confirmed our plans to establish the Office of Tax Simplification. Today, we have done so. The OTS will advise Treasury Ministers on delivering a simpler tax system, drawing together expertise from throughout the tax and legal professions as well as from business and other interested parties, to provide advice on options for addressing existing complexity in the tax system. Its objective will be to reduce the burden of compliance for both businesses and individuals. The OTS will do that by advising the Government on where, in its expert view, the tax system is too complex and could be simplified, and by conducting inquiries into complex areas of the tax system, gathering evidence and suggesting options for reform.

The office will publish a report on each of its inquiries, detailing the evidence that it has collected, the views of interested parties, its analysis of potential reform options and proposals for simplifications. Either the Chancellor or I will discuss the findings of each report with members of the OTS board. The first such inquiry will be a review of all reliefs in the tax system. The OTS will review the full list of reliefs and identify those that should be repealed or simplified to create a simpler tax system. The second review will focus on simplifying the tax system for small businesses and the specific question of finding a simpler alternative to IR35.

The OTS will be led by an externally appointed and unpaid chairman and tax director, who will be supported in undertaking their duties by a secretariat of civil servants and private sector secondees. The chairman and the tax director will have complete control over forming the OTS's judgments and will be accountable to Parliament for their advice. Michael Jack will be the interim chairman, and John Whiting has agreed to be the interim tax director. Together they will lead the establishment of the OTS and the reviews that it conducts in its first year. Over the summer, John Whiting will lead the appointment of the permanent secretariat, so that the first reviews can begin by early September. He will also establish committees over the summer to steer the OTS's work and ensure close consultation with all interested parties. The committees will include experts from the tax and legal professions, the business community and other interested parties.

Making the right reforms to the tax system will help to pave the way for bringing more international business to the UK, which will give our economy the boost that it so urgently needs in the years ahead. We commend the creation of this body.

Mr Byrne: I am grateful to the hon. Gentleman for his statement. He will hear this afternoon that there is wide-ranging interest in the questions that he has raised, which is why it was all the more unacceptable that the statement was delivered at a press conference before it was made to Members. That, I am afraid, is becoming a pattern of behaviour. First, £6 billion of spending cuts were announced in the Treasury courtyard rather than in the Palace of Westminster. Then the approach to the spending review was announced in a press conference, not in this Chamber. Then reforms to the institutional arrangements for bank regulation were briefed to newspapers before the House was told. Then plans for a bank levy were outlined in a speech in the City, not from the Treasury Bench. If we wanted a timely reminder of the importance of the first debate to be held on business nominated by the Backbench Business Committee—on information relating to statements—the hon. Gentleman has just given us one.

Let me turn to the substance of the hon. Gentleman's announcement. From all parts of the House this afternoon he will hear an endorsement of the principles of a simpler tax system that allows people to focus on their business affairs and profitability. He will see, too, an endorsement of the use of outside experts; that is nothing novel. But will he confirm the answers to a couple of questions about the office's scope? If he is all for simplification, will the Office of Tax Simplification be advising him on his proposals to complicate the tax system by introducing a marriage tax allowance, all for the sake of sending an ineffective £3-a-week signal about his party's views on what a family should look like? Will the office be advising the Chancellor either to advance or to drop those plans, and if so, on what timetable?

Can the hon. Gentleman tell us whether the Office of Tax Simplification will be advising him on dropping the measures announced in the Budget to increase the number of people facing marginal deduction rates of more than 90%? And if he is all for simplicity, why is the Treasury briefing that it wants a more complicated stamp duty system in connection with energy conservation in housing?

Secondly, there are a series of questions to be asked about the nature of the new beast that the hon. Gentleman has told us about this afternoon. We have heard a lot of talk in recent weeks about the Chancellor's push for a bonfire of the quangos. Can the Minister tell us how much the new office will cost? Can he promise us that this is the last quango that the Treasury will announce

this year? Can he tell the House how Mr Jack was appointed, and whether his appointment is fully in line with Nolan principles? What reassurances can the hon. Gentleman give the House this afternoon that, unlike the Office for Budget Responsibility, the Chancellor's last independent creation, this office will not release its reports to help the Prime Minister get through a sticky Prime Minister's Question Time?

Simplification is a good thing, and I am sure that the whole House will welcome the thrust of the hon. Gentleman's proposals. But I am afraid that today's announcement sounds rather more like an attempt to grab headlines than like real evidence of a push to improve legislation—legislation that is the responsibility of this House.

Mr Gauke: I do not know whether the right hon. Gentleman requested an urgent question because he had prepared a speech and had forgotten that this development was announced in the Budget on 22 June. The creation of this organisation was not only in the Conservative party manifesto and the coalition agreement; it was also announced to the House on 22 June by my right hon. Friend the Chancellor. Today we have announced the appointment of two distinguished individuals to perform the task that we have already set out. The misplaced outrage from the right hon. Gentleman is extraordinary, particularly given the record of the previous Government in this regard.

I am pleased that the right hon. Gentleman recognises, at last, the need for a simpler tax system and for outside experts to be involved in the tax system. We think that an important point; we have to make use of the expertise in the tax and legal professions, and the OTS is but one example of how we will do that, along with the creation of a business forum and a tax professional forum. All that will add to the sense of co-operation that exists in our tax system and the sense that the system can become an asset, not a liability—as, sadly, it had become under our predecessors.

The purpose of the OTS is to look at the stock of tax law—the thousands of pages of tax law in this country, which has the longest tax code in the world. It is an attempt to examine the existing tax code to make recommendations for simplification. All decisions will be made by Ministers accountable to the House. Parliament will continue to make tax law, but clearly the use of independent experts and publication of their recommendations and analyses will be a useful addition to our tax system.

The right hon. Gentleman asked about the appointment process. These are interim appointments; we believed that it was important to establish the OTS quickly. The appointments will be there for 12 months, at which point we will go through the usual process of appointment for permanent appointees. In that 12-month period Mr Whiting and Mr Jack will add a great deal to our tax system, will establish the OTS—*[Interruption.]* In spite of that attack on the appointees, John Whiting, for example, has advised Opposition parties, including the Labour party in the past few weeks. These are well-established individuals. Michael Jack was a distinguished Minister in this area, who established the tax law rewrite project, and we think that that is useful experience.

As for the cost, I know that the view of the Labour party in government is that quangos must always cost a great deal of money—but Mr Jack and Mr Whiting are not being paid for this. The cost of the secretariat will be paid out of existing Treasury and Her Majesty's Revenue and Customs budgets. This is good value for money, it will be a good contribution to our tax system, and we are very proud to announce it.

Several hon. Members *rose—*

Mr Speaker: Order. The opening contributions of the Minister and the shadow Chief Secretary were a little on the long side. Many people want to take part. What I require is brevity—a textbook example of which can now be provided by the Chairman of the Treasury Committee, Mr Andrew Tyrie.

Mr Andrew Tyrie (Chichester) (Con): I am not so sure about that, Mr Speaker.

I warmly welcome anything that simplifies the tax system; I think we all do. The Chancellor described the new office as a

"a permanent force for a simpler tax system",

but he has appointed it initially for only one Parliament. Can the Minister explain why? What is to be the annual budget of the office's permanent staff, and will permanent appointments be subject to scrutiny by the Treasury Committee?

Mr Gauke: On the appointment process, we will see how we go. We are keen that the OTS should be accountable to Parliament, and I dare say that it will give evidence to my hon. Friend's Committee. As for the cost, as I said a moment ago, the intention is that the costs will be borne from the existing budgets of HMRC and the Treasury. There will be secondees from the private sector, and we expect them to fund that at their own cost. As regards longevity, the initial appointments are for 12 months. We have set up the OTS for a Parliament, but I hope that it will be a permanent feature of our tax system.

Barry Gardiner (Brent North) (Lab): One of the pieces of tax complexity that Treasury officials will be counselling this body to get rid of swiftly is perhaps one of the most important that has recently been introduced—the patent box, which enables intellectual property developed in this country to be domiciled in this country for tax purposes, not domiciled overseas at a great loss to the British taxpayer. Will the Minister ensure that the new body is not bamboozled by Treasury officials who have opposed that measure for far too long, and will continue to try to get rid of it?

Mr Gauke: As I mentioned earlier, the intention of the OTS is to look at the existing stock of tax law, not to examine new proposals for tax law. On the patent box, as we announced in the Budget, the intention is to carry out a consultation on intellectual property and on how the patent box works, how research and development tax credits work, and how the controlled foreign company rules apply in that context. We will be carrying out that consultation in the autumn.

Karen Bradley (Staffordshire Moorlands) (Con): May I welcome the announcements about the OTS, particularly the appointment of John Whiting—a move that will be very popular in the industry? Does the Minister agree that by simplifying the tax code, the Government are reducing the opportunities for tax avoidance?

Mr Gauke: My hon. Friend makes a good point. The greater the complexity, the greater the opportunities for avoiding tax, and a simpler tax system closes down some of those opportunities. The relationship between avoidance and complexity is itself complex, because avoidance leads to more complexity. As a Government, we take tackling tax avoidance very seriously.

Stewart Hosie (Dundee East) (SNP): The old tax law rewrite project only managed, in more than a decade, to bring about the Capital Allowances Act 2001, four income tax measures, the Corporation Tax Act 2009, the Corporation Tax Act 2010 and the Taxation (International and Other Provisions) Act 2010. As the Minister expects a report on each of this new body's inquiries, with an analysis of its reform options and recommendations, all of which might take some time, may I ask him, if he does nothing else, to urge the new Office of Tax Simplification to work rather more swiftly than the old tax law rewrite project was able to?

Mr Gauke: The hon. Gentleman rightly makes the point that tax law is a complicated matter, and such matters are not addressed easily and simply, but we believe that we have appointed the right individuals, and that there is engagement by the tax professions. We believe that the tax law rewrite project had many commendable features, but it was very restricted. It focused merely on wording, and we want an independent body to consider policy recommendations to see how we can improve our tax system.

Claire Perry (Devizes) (Con): Does the Minister agree that this is a very long overdue initiative, with two aspects that we would never have heard about from the Opposition—a focus on simplicity, and the idea that things can be done without the benefit of an overpaid quango?

Mr Gauke: I think that we are going to achieve something very important, with good value for money for the taxpayer—and I think that will be a hallmark of this Government.

Mr George Mudie (Leeds East) (Lab): To prove to the House the independence of the Office for Budget Responsibility, the Chancellor finally conceded that the appointment of its chair would be subject to the agreement of the Treasury Committee. If the so-called independent OTS is actually to be so, will the same arrangements be considered for the appointment of its chair?

Mr Gauke: We have not taken a view on that yet. We have to understand what the role of the OTS will be—to publish recommendations that will be, by necessity, in the public domain. People can debate those matters, which we think is a valuable purpose in itself. Whether the Treasury Committee needs to endorse every appointment made by the Government is a debate that we should have.

Matthew Hancock (West Suffolk) (Con): Is the Minister aware that one tax expert has described the "Gauke doctrine" as one of the most important changes in improving the competitiveness of our tax system—so long as it is delivered properly? Will he assure me that the Government will work to ensure that what has been put down on paper in the Budget will be delivered properly over this Parliament?

Mr Gauke: I am grateful to whichever tax expert identified the Gauke doctrine: my hon. Friend is right about so many things, because this is a question of following things through. We have set out some very good intentions and made a great deal of progress in our first few weeks, in demonstrating how the UK tax system can be an asset, but it is our responsibility as a Government to ensure that we follow through and build on what I believe have been some early successes.

Ian Lucas (Wrexham) (Lab): The hon. Gentleman referred to the new body as being accountable to the House. If he has considered that idea closely, can he tell us precisely how it will be achieved?

Mr Gauke: We certainly anticipate that the Treasury Committee will want to take evidence from the tax director and the chairman, and that documents and recommendations produced by the OTS will be available to Members. I dare say that those recommendations will inform our debates on Finance Bills and, if it is possible, raise the quality of debate.

Margot James (Stourbridge) (Con): By how much did the tax code lengthen under the previous Government? I understand that its length is now a record in the western world.

Mr Gauke: I am afraid that I will not be able to give my hon. Friend a precise number, but the code did increase substantially in length. It is also worth noting that during the same period our tax competitiveness, as measured by the World Economic Forum, fell.

Clive Efford (Eltham) (Lab): Any reduction in the burden on small businesses, or indeed any businesses, of administration costs in paying tax is to be welcomed. However, can the Minister say whether, as a result of simplification of the tax system, he expects to raise more tax or less?

Mr Gauke: I am grateful to the hon. Gentleman for welcoming these measures. The intention is that the OTS will be neither a tax-raising nor a tax-cutting body but a tax simplification body. It will make recommendations, and our approach, wherever possible, is to broaden the base and lower the rate. If, for example, there are recommendations that reliefs should be withdrawn, we anticipate that the money saved could be recycled into tax cuts elsewhere. The OTS should not be seen as anything other than revenue-neutral.

Richard Harrington (Watford) (Con): I thank the Exchequer Secretary for this initiative on behalf of businesses small and large in Watford and elsewhere—but not on behalf of the tax accountants, who have not contacted me to say how happy they are. Does he agree that measures such as this, when the public and small businesses find things simpler, are very much to the advantage both of them, and of the Exchequer purse?

Mr Gauke: I am grateful to my hon. Friend. I know some of the tax accountants of Watford, and I suspect that they too will welcome this measure.

Mark Durkan (Foyle) (SDLP): For how long will we have to watch this space to see an end to the quicksand of complexity that is IR35? Will the experts appointed to assist the OTS include people who understand the

difficulties caused for families and firms who work and live on a cross-border basis in Northern Ireland? Those people are caught in an utter matrix of tax complications.

Mr Gauke: The hon. Gentleman makes a valuable point, and I hope that the OTS will bear it in mind. I am grateful to him for his comments.

Mr Mark Spencer (Sherwood) (Con): Does the Minister agree that a more simplified tax system will encourage UK manufacturers to retain jobs here rather than export them to other countries? Does he also agree that the measure will make the UK look more favourable as somewhere for global companies to locate their business?

Mr Gauke: My hon. Friend is absolutely right. As I said, we want to ensure that our tax system is an asset to the UK, so that we can go out there and sell the UK as a place to do business. We want one advantage of doing business in the UK to be a certain, stable, predictable and simple tax system.

Kate Green (Stretford and Urmston) (Lab): When simplification is in conflict with fairness, which will prevail?

Mr Gauke: All policy decisions will be for the House and Ministers. The hon. Lady makes the fair point that one cannot take politics entirely out of the tax system, but there are times when it is simply a question of complexity versus simplicity. There is scope for improvement, which is what I hope the OTS will be able to deliver.

Charlie Elphicke (Dover) (Con): Will the Minister make a special effort to simplify tax legislation so that it is understandable for ordinary people? As a former tax lawyer—a poacher turned gamekeeper—I know that too often, the best advice is the preserve of the richest. That is not fair.

Mr Gauke: My hon. Friend, too, makes a good point. On the day of the Budget we published our document "Tax policy making: a new approach", which set out a more consultative and deliberative approach to tax law, ensuring that draft legislation is properly examined. We think that that is to the advantage of all people; greater clarity in tax law is clearly helpful.

Toby Perkins (Chesterfield) (Lab): Will the Minister confirm that the two appointees will not get any expenses or salary? Will he refer the appointments to the Committee on Standards in Public Life?

Mr Gauke: The appointees will not be paid. If they incur proper expenses, they will be reimbursed, as is only reasonable—*[Interruption.]* I would have thought all Members of the House would appreciate that. Ultimately, the appointments will be in accordance with the relevant provisions, but we believed it important to set the OTS up quickly. We have done that, and with two excellent individuals.

Harriett Baldwin (West Worcestershire) (Con): If those two excellent individuals are to work for an initial period of 12 months, will that be enough time for them to read the 11,000 pages of tax code applied by the previous Government?

Mr Gauke: I always got the impression from John Whiting that he had already read the code—and Michael Jack may also know a little about it. I take my hon. Friend's point, but in 12 months they will be able to make a good start.

Chris Leslie (Nottingham East) (Lab/Co-op): Many hon. Members have made points about fairness. Will the Minister ensure that the OTS will not simply dance to the tune of the wealthiest in society, and their accountants, in putting issues on the agenda? I refer to the decision in the Budget to reduce the backdating of new claims and changes of circumstance for tax credits from three months to one month, at a cost of £1 billion to ordinary people. Is it not the case that this Government are more interested in helping the wealthiest and putting obstacles in the way of the least well-paid?

Mr Gauke: I really do not accept the point that having a simpler tax system, which is understandable by everyone and not just those who can afford expensive advice, is in any way a regressive step. As my hon. Friend the Member for Dover (Charlie Elphicke) said, it will benefit everybody and we are pleased to be able to do it.

Sajid Javid (Bromsgrove) (Con): Does the Minister agree that along with the cancellation of Labour's jobs tax and the reduction in corporation tax that his team has proposed, this will also help to re-open Britain for business?

Mr Gauke: That is right, and I would add our tax policy-making paper to that list. We want to provide greater certainty and stability in the tax system. It will encourage businesses to invest in the UK, and we are making good progress.

Emma Reynolds (Wolverhampton North East) (Lab): It is ironic that the new Government's anti-quango approach seems to be translating into setting up more quangos. Apart from grabbing headlines, why cannot the functions of this new office be carried out within the Treasury and, therefore, be directly accountable to Parliament?

Mr Gauke: Some months ago my right hon. Friend the Prime Minister made a speech identifying those areas in which quangos would be an advantage, and one of those was the ability to provide independent advice in a technical area. This is one of those areas, and we believe that engaging with outside bodies and making use of outside expert advice will actually benefit the creation of good tax law and improve our tax system. This policy is not about grabbing headlines, but improving our tax system because that is what we want to do. We will leave the headline grabbing and the sudden announcements to our predecessors.

James Wharton (Stockton South) (Con): I welcome the statement by my hon. Friend. Does he agree that it is striking that the independent experts who will lend their expertise to the OTS are doing so without being paid, and does that not contrast starkly with the millions spent on ineffective quangos by Labour?

Mr Gauke: We are very grateful to Mr Whiting and Mr Jack for giving up their time for free in an attempt to improve our tax system and provide a public service. They deserve thanks from both sides of the House, and it is a pity that there has been a little sniping from one or two Opposition Members.

Amber Rudd (Hastings and Rye) (Con): Is the Minister aware that in Hastings we have some very successful business groups? They often complain to me about the over-regulation and complexity of the system. If we are to achieve the necessary growth, we need to allow them to expand their businesses. Can he assure me that this office will focus especially on those small and medium enterprises that will provide the growth that this country needs?

Mr Gauke: My hon. Friend is right to raise that point. Of the two reports that the office will produce initially, one will focus on taxation for small businesses and the problems with IR35. We believe that this organisation will be able to address that difficult issue, which frankly has not been dealt with satisfactorily in recent years.

Dr Thérèse Coffey (Suffolk Coastal) (Con): I welcome the response to the urgent question today. As a former finance director, I will join many others in celebrating this simplification agenda, so that instead of spending time thinking about tax they can think about business growth. In particular, can my hon. Friend assure me that the office will also cover the subject of VAT which is as complex as corporation tax and others?

Mr Gauke: The OTS can look at all taxes. We will agree other subjects for consideration in the future, and I am sure that my hon. Friend is right to highlight that matter.

Mr Peter Bone (Wellingborough) (Con): The spat at the beginning of the urgent question about whether the written statement was first leaked to the press raised the blood pressure of the shadow Minister. Would the Minister encourage all Back Benchers—indeed, all Ministers—to come along to the first Back-Bench business debate scheduled for later this evening on the very topic of information on statements for Back Benchers?

Mr Speaker: Order. I know that the Minister will relate his answer to attempts to simplify the tax system.

Mr Gauke: I am grateful for your guidance, Mr. Speaker. All I would say is that if my hon. Friend is speaking, I am sure that the Chamber will be packed.

Paul Uppal (Wolverhampton South West) (Con): I welcome today's initiative. Will the Office of Tax Simplification have a remit specifically to look at tax bands, particularly to make the UK more competitive? The corporation tax band between the small rate, the marginal rate and the large rate contains a slight anomaly.

Mr Gauke: Yes, the OTS could consider such matters. Essentially, rates will not be matters of complexity and will be entirely for the House to consider. However, the point that my hon. Friend highlights is one that the OTS might well be looking at in its small business review.

Alun Cairns (Vale of Glamorgan) (Con): I am grateful to the Exchequer Secretary for his statement. Will the OTS receive representations from business organisations and individuals who can make a contribution to simplifying the tax structure?

Mr Gauke: We will certainly encourage the OTS to take representations. Mr Whiting and Mr Jack are keen to do so and will be establishing consultative committees to provide organisations and businesses with an opportunity to have their say and more generally to engage with businesses. We believe that, in the tax area in particular, it is important that we engage with business. That has been a characteristic of this Government, and we hope to continue to do that.

Chris Kelly (Dudley South) (Con): I welcome the Exchequer Secretary's statement. Does he agree that tax simplification will lead to greater business confidence in small and medium-sized businesses such as those in my constituency of Dudley South, which will lead to the confidence to make greater plans to create more jobs?

Mr Gauke: My hon. Friend is absolutely right. That is at the heart of what this is about. A strong tax system can encourage strong growth in the private sector, which can encourage the growth we need to tackle our deficit, and I hope that the OTS will make a useful contribution to that.

Points of Order

4.6 pm

Several hon. Members *rose--*

Mr Speaker: What a competition! What a delightful choice!

Mr Gordon Marsden (Blackpool South) (Lab): On a point of order, Mr Speaker. Last week, on 15 July, in Department for Communities and Local Government questions, in reply to a question about the future of the Government office for the north-west, the Secretary of State said:

"We are currently discussing this with interested parties, including the trade unions."—[*Official Report*, 15 July 2010; Vol. 513, c. 1076.]

However, in a letter he sent nine days earlier to the Deputy Prime Minister, dated 6 July, he said that his colleague, the Minister of State, Department for Communities and Local Government, the right hon. Member for Tunbridge Wells (Greg Clark), and himself had met formally to discuss the abolition and proposed

"to move to an early announcement of the abolition of the remaining eight offices."

Mr Speaker, is it in order for the Secretary of State to say one thing in the House about continued open discussions when he has already written elsewhere about it being a done deal?

Mr Speaker: I am grateful to the hon. Gentleman for his point of order and for giving me advance notice of it.

Mr Pat McFadden (Wolverhampton South East) (Lab): On a point of order, Mr Speaker.

Mr Speaker: I shall come to the right hon. Gentleman in a moment.

I have not been informed that a Minister wishes to make a statement in the House today on this subject. However, on the wider issues, there is an opportunity later today—this point was flagged up by the hon. Member for Wellingborough (Mr Bone)—in the Back-Bench business debate for the hon. Member for Blackpool South (Mr Marsden) and others to express their concerns about the matter. I have a feeling that some of them might be tempted to take that opportunity.

Mr McFadden: On a point of order, Mr Speaker. Can you give us your guidance on the appropriate procedures for a Minister to come to the House and correct factually inaccurate statements made in the Chamber? On 22 June, the Deputy Prime Minister told the House that the reason the Sheffield Forgemasters loan was not approved was that the company's owners

"did not want to dilute their own shareholdings in the company".—[*Official Report*, 22 June 2010; Vol. 512, c. 148.]

On 1 July, the Prime Minister repeated the point, saying that

"there was opportunity for them...to get more equity into the business if they wanted to...dilute their own shareholding".

Yet this morning's newspapers reveal that, in a letter to the company's chief executive on 2 July, the Deputy Prime Minister said:

"You explained to me the composition of equity holdings in the company including your own stake and made clear your own willingness to dilute your equity share".

Mr Speaker, this letter clearly contradicts statements made by the Deputy Prime Minister and the Prime Minister to the House, and I am sure that you will agree with me that it cannot be right for factually inaccurate statements to be made publicly in the House and then corrected purely by means of a private letter. Given that today the company has announced that it is suspending work on the 15,000 tonne project for which the loan was proposed, what is your advice on when it would be appropriate for the Deputy Prime Minister to come to the House and admit publicly that the Government's justification for this decision has been admitted by him to be wrong?

Mr Speaker: I thank the right hon. Gentleman for his point of order. As he knows, and as others will be conscious, I am not responsible for the content—including the accuracy—of statements by Ministers. That said, if a Minister makes a factual error in a statement to the House, it is preferable, as far as I am concerned, that he or she should correct that error in the House. The right hon. Gentleman has taken the opportunity very forcefully to register his point on the record, and it will have been heard by those on the Treasury Bench. I do hope that if such instances arise again, the general guidance that I have just offered will be followed, for the simple reason that it makes sense and is fair.

Mr David Winnick (Walsall North) (Lab): On a point of order, Mr Speaker. We all appreciate what you have just said, but I should like to raise another issue. I received replies on the board yesterday from the Independent Parliamentary Standards Authority to a number of my questions. I shall not go into that, but the replies included a background note. That is quite a novelty, as you will know—it has certainly never happened previously, in all my experience over the years of receiving answers to parliamentary questions. I was given one answer along with a background note, which says:

"Mr Winnick has asked several other questions of IPSA,"

about whether it should do this, that or the other, and the same applied with another answer. I do not mind—presumably the background note is saying, in effect, that I am a nuisance and that IPSA wishes that I would go away—but what I want to know is whether supplying a background note will become standard practice for Ministers. Indeed, I would like to see the background notes provided by civil servants to Ministers who are due to answer my questions, so perhaps on this occasion IPSA should be congratulated on setting a commendable trend.

Mr Speaker: I am grateful to the hon. Gentleman for what is, pretty much, a novel point of order. Whether those who penned the background note ever intended it to be seen by him is something that I rather doubt. I do not think that the Speaker should get into the business of dictating the precise form of answers to questions. However, in general terms, I am inclined to say that the answer should be the answer, and that should be all that is required. The idea that some supplementary text is either required or desirable seems to me to be wrong.

Mr George Mudie (Leeds East) (Lab): Further to the point of order raised by my right hon. Friend the Member for Wolverhampton South East (Mr McFadden), Mr Speaker. I listened with gratitude to the answer that you gave my colleague, the shadow Minister, on Sheffield

[Mr George Mudie]

Forgemasters, but the gist that I caught was about those on the Treasury Bench conveying your sentiments, so that such things would not happen on future occasions. Would it not be appropriate to ask those on the Treasury Bench to convey that message to the Deputy Prime Minister, so that he can come to this House and right the matter, rather than—so it appears—being left in the clear, with only future transgressors affected?

Mr Speaker: That is a sophisticated point of order, which is what I suppose one would expect from someone who has served for a long time in the Whips Office. On the whole, it is not a good idea for me to get into the business of advising on the means of transmission of pieces of information or advice from one part of Government to another. That said, the hon. Gentleman has made his point, and perhaps it will be heard and heeded by people on the Treasury Bench.

Barry Gardiner (Brent North) (Lab): On a point of order, Mr Speaker. In outlining the benefits of the Office of Tax Simplification, the Exchequer Secretary to the Treasury explained that tax simplification would result in greater revenues to the Treasury. However, in answer to my hon. Friend the Member for Eltham (Clive Efford), he said that the effects of simpler taxation would be revenue-neutral. Given that the Minister is still in his place, would it be in order to ask him to reconcile those two positions?

Mr Speaker: Unfortunately the hon. Gentleman spoilt it a bit, as he was not able to keep a straight face towards the end of his attempted point of order, for the simple reason that he knows perfectly well that he was simply seeking to continue the debate.

I am conscious that we will shortly—not just yet, but shortly—have a ten-minute rule motion. The hon. Member for Southend West (Mr Amess) is waiting patiently—as, to be fair, is the Minister on the Front Bench—and we need to get on to that business before too long.

Kate Green (Stretford and Urmston) (Lab): On a point of order, Mr Speaker. I will be brief. It was drawn to my attention this week that the Chancellor of the Exchequer visited my constituency—a matter of which I was not made previously aware. In order to be able to welcome senior members of the Government properly to my constituency in future, will you clarify for me your guidance, Mr Speaker, on such ministerial visits and what local Members should be made aware of?

Mr Speaker: The short answer to the hon. Lady is that if the Minister was undertaking an official visit—that is to say, on public ministerial business—the hon. Lady should have been informed by the Minister before that visit took place, preferably with reasonable notice. That is the answer.

BILL PRESENTED

PARLIAMENTARY STANDARDS (AMENDMENT) BILL

Presentation and First Reading (Standing Order No. 57)

Adam Afriyie presented a Bill to amend the Parliamentary Standards Act 2009 to require the Independent Parliamentary Standards Authority to reduce the cost and change the schemes of payment of Members of the House of Commons; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 22 October, and to be printed (Bill 60).

Safety of Medicines

Motion for leave to bring in a Bill (Standing Order No. 23)

4.15 pm

Mr David Amess (Southend West) (Con): I beg to move,

That leave be given to bring in a Bill to make provision about methods of testing the safety of medicines; and for connected purposes.

Hypochondria is not an attractive condition in anyone, but someone who is genuinely ill may be prescribed medicine and may benefit from it. I say to the Minister of State, Department of Health, my hon. Friend the Member for Chelmsford (Mr Burns) that I very much hope this ten-minute Bill will become law.

The development of medicines has helped millions of people to lead longer and more active lives. Medicines, however, are not risk free. Regrettably, there has been an increasing level of adverse drug reactions, which is obviously unacceptable. Action needs to be taken to improve the safety of medicines as far as possible.

Extrapolating from a number of studies the number of hospital admissions due to adverse drug reactions indicates, quite shockingly, that around a million Britons are hospitalised by prescription medicines every year, costing the NHS £2 billion. This is a figure the public purse can ill afford, and does not take into account, even in purely financial terms, the wider cost to society, such as the burden of lost productivity. It is true that some level of risk cannot yet be avoided, but the question I want to pose is whether it would be better to test medicines for safety differently, before they are released to the general public.

In 2005, the Health Committee—of which I was a member, as was the Minister of State—recommended that a public inquiry should be conducted every time a drug is withdrawn on health grounds to determine whether sufficient testing of the drug took place before its introduction into the market. It is a recommendation that has yet to be implemented.

So how are medicines tested for safety and what constitutes sufficient testing? The final stage of this lengthy process is human clinical trials, and several actions are necessary to improve their quality, including ensuring that the range of participants more broadly reflects the population the drug is intended to treat. For example, many drugs for the elderly are never tested on the elderly, and women are massively under-represented in clinical trials, meaning that the evidence base for their treatment is of lower quality than it is for men.

Before new medicines reach clinical trials, the Government require that they are tested for safety on animals, and it is these tests that are the subject of the Bill. Animal testing is, I believe, ethically problematic and many people feel strongly, as I do, that there is an ethical imperative to switch to non-animal methods—but that is not the reason for this Bill. The reason for it is that animal tests have let us down badly in their role of protecting us against dangerous drugs.

Painkiller Vioxx, withdrawn in 2004, was the biggest drug disaster in history, killing more than 100,000 people worldwide in its five years on the market. Clinical trials of Vioxx did, in fact, reveal up to a fivefold increase in the risk of a serious reaction, such as heart attack, heart failure or stroke. However, tests on animals indicated that the drug was safe, and some animal studies even found that it was protective to the heart, which supported the manufacturer's decision to market it.

In March 2006, six young men taking part in a clinical trial at Northwick Park hospital were nearly killed by a drug which had been tested in monkeys and shown to be safe, even at 500 times the dose that the men were given. Clearly the results from the monkeys had created a false sense of security. More comprehensive studies using human blood samples before the trial might have averted that terrible disaster. Since the infamous trial, several simple tests using human cells have been developed which can predict such dramatic reactions.

Those two examples are not isolated incidents. In fact, nine out of 10 new drugs that pass animal tests go on to fail in human clinical trials, either because they do not work on humans although they did work on animals, or because they are not safe when used on humans as they were apparently safe when used on animals.

The pharmaceutical industry needs new mechanisms. Many new technologies have been developed in recent years: for instance, a wide range of techniques using human tissues—including the interconnection of several different tissues to mimic the whole body in miniature—human DNA chips, computer modelling, and exciting new methods of testing minuscule, safe doses of new drugs in volunteers. A combination of those approaches promises to predict the effects of new drugs on humans more accurately than tests on animals ever could, with the bonus of significant savings in time and cost. It is astonishing that the regulations have not moved on in 42 years, especially given the way in which science has been revolutionised during that time.

Animal tests have never been compared with a set of those promising new technologies. My cross-party Bill calls for exactly that comparison to be conducted. A sample of drugs that turned out to have serious safety problems when they reached clinical trials, or reached the public market, will be tested. The tests will employ a set of those techniques, with their focus on human biology. The results will be compared with the existing results from the animal tests that were conducted before the drugs entered clinical trials. Thus no new human trials or animal tests will be needed. The process will reveal which set of tests is more successful at predicting the safety of medicines in humans.

The proposals that I have outlined have attracted a high level of support among scientists and in the House in previous Sessions. Early-day motions have been signed by as many as 250 Members, and, more recently, by 243 Members. The sheer scale of adverse drug reactions and the fact that they are increasing at twice the rate of prescriptions means that we have an ethical imperative to examine the causes and take action to address this very serious public health crisis. I commend the Bill to the House.

Question put and agreed to.

Ordered,

That Mr David Amess, Mr Peter Bone, Peter Bottomley, Karen Bradley, Jackie Doyle-Price, Paul Flynn, Mr Mike Hancock, Dr Julian Huppert, Caroline Lucas, Grahame M. Morris, Mark Pawsey and Bob Russell present the Bill.

Mr David Amess accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 22 October and to be printed (Bill 59).

Business without Debate

CONSOLIDATED FUND (APPPROPRIATION) BILL

Motion made, and Question put forthwith (Standing Order No. 56), That the Bill be now read a Second time.

Question agreed to.

Bill accordingly read a Second time.

Question put forthwith, That the Bill be now read the Third time.

Question agreed to.

Bill accordingly read the Third time and passed.

Finance Bill

[Relevant documents: The uncorrected oral evidence taken before the Treasury Committee on 13 and 15 July 2010, HC 350 i and ii, on June 2010 Budget.]

Third Reading

4.25 pm

The Exchequer Secretary to the Treasury (Mr David Gauke): I beg to move, That the Bill be now read the Third time.

We have enjoyed a lively and wide-ranging debate during the Bill's progress. I would therefore like to start by thanking all Members who have taken part in the four days of debate on what is a short but significant Bill—despite its brevity, it makes fundamental changes to Britain for the better.

The Bill follows the emergency Budget and puts in place many of the measures that are necessary to strengthen the economy and ensure fiscal discipline. It was a crucial Budget, and this is a crucial Bill because this is the time when we finally get to grips with our deficit. The Bill re-establishes the credibility of the country to the rest of the world. It shows that where tough choices are needed, the Government have the courage to make them, and it provides for a fair and productive society.

The Budget was tough, but it was also fair. It set out a decisive and credible plan to deal with this country's record deficit and to tackle the other problems that were left behind: a structural deficit £12 billion larger than we had been told; a deficit that was the largest in the G20 and second only to Ireland in the European Union; one in every four pounds of public spending coming from borrowing; an uncompetitive tax environment; and endless complexity and unfairness throughout the tax system. Our plan will pave the way for sustainable private sector-led growth, keep interest rates lower for longer and protect jobs. It is the right approach for the country.

Last week the OECD said in its report on the UK:

> "The comprehensive budget announced by the government on 22 June was courageous and appropriate. It was an essential starting point. It signals the commitment to provide the necessary degree of fiscal consolidation over the coming years to bring public finances to a sustainable path, while still supporting the recovery."

Despite containing only nine substantive clauses, the Bill represents a clear change from the past and a new direction of travel, and it meets the three principles of responsibility, freedom and fairness set out by my right hon. Friend the Chief Secretary on Second Reading.

First, the Bill shows that we are taking responsibility for the problems we inherited, and it follows a Budget more honest, more transparent and more pragmatic than those before it. We have been honest about the scale of the challenge, and we have been honest about the actions needed to take it on. If we are to bring down the deficit without cutting vital public services, raising VAT is unavoidable. We recognise that Members have concerns about that, but for the first time we have published analysis of the distributional impacts of Budget measures. It shows that fairness underpins the tough choices the Government have taken to tackle the deficit.

Andrew George (St Ives) (LD): Will the Minister give way?

Mr Gauke: Not for the first time in this debate, I will, with great pleasure, give way to my hon. Friend.

Andrew George: I am very grateful to the Minister for giving way. He refers to the Budget as being both honest and disciplined. On VAT and the theme of fairness, which he says underpins the Budget, will he ensure that there is an opportunity transparently to review the VAT measurer in clause 3? He has rejected the concept of a sunset clause, but will this be evaluated, as proposed in the Government's published taxation policy? If it is going to be evaluated, at what stage should it be evaluated and when will the House have an opportunity to analyse it and debate the issue?

Mr Gauke: I am grateful to my hon. Friend for that intervention. As he knows, with this Budget we have set out more distributional analysis than any previous Government have ever done before. On the VAT increase, I say to him that all tax matters are kept under review. He has a fine reputation for finding opportunities to raise particular points in Parliament, and I am sure that he will do so on this matter. I am sure that there will be opportunities for him, and for other hon. and right hon. Members, to raise these matters in future. For the moment we have put in place an increase in the VAT rate. We cannot make any promises to change it, and it would be dangerous for us to do so, given some of the points that we debated in Committee; a promise of a VAT cut in future is likely to result in a deferral of expenditure. However, this is an ongoing debate and I am sure that he will contribute to it fully, just as he has contributed to this debate fully over the past few days.

We believe that this Budget has been demonstrated to be a progressive Budget that deals with the deficit fairly; all sections of society contribute, but the richest pay more than the poorest. I also have to make the point to the House and to my hon. Friend that, of course, we should not look at the VAT increase in isolation, because it is part of a wider package that ensures that the most vulnerable in society are protected. It is also worth making the point that during these days in which we have debated this matter we have learned that support for the VAT increase was more widely spread than we ever realised. With exquisite timing, we learned from Lord Mandelson that the previous Chancellor wanted to raise VAT.

Mr Liam Byrne (Birmingham, Hodge Hill) (Lab) *rose—*

Mr Gauke: I give way to a member of that Treasury team.

Mr Byrne: Before the hon. Gentleman leaves the subject of VAT, can he clear up one problem that I came across in the Red Book? The scorecard for the Budget says that about £8 billion will be raised in taxes by 2014-15, yet the Office for Budget Responsibility forecast in the back of the Red Book says that only £3 billion in tax will actually come through the door. Why is there a £5 billion difference?

Mr Gauke: I am not quite sure where the right hon. Gentleman's analysis is coming from. I am not aware that there is any discrepancy of the sort that he describes.

Mr Byrne *rose—*

Mr Gauke: The right hon. Gentleman is eager to help me. I am sure that this will be a helpful contribution.

Mr Byrne: The matter can be cleared up very quickly. The scorecard on page 40, with which the hon. Gentleman will be enormously familiar, states that the "total tax policy decisions" will result in £8.230 billion being received in 2014-15, whereas table C12 on page 101, which shows the OBR forecast, says that only £3.1 billion in receipts will actually come in. Why is there a difference between what is on the scorecard, which is a little more than £8 billion, and what is in the OBR forecast for the money that will actually be raised, which is £3 billion?

Mr Gauke: The right hon. Gentleman appears to be raising a perfectly fair point. The OBR was heavily involved in calculating the numbers for the scorecard, so I suspect that there is a perfectly innocent explanation and I will endeavour to ensure that he receives it before this debate reaches its conclusion.

Mr Byrne: Is not the answer very straightforward? Is not the answer that the Budget depresses growth so much that tax receipts will actually be down, so even though the scorecard sets out a series of measures that should, in theory, raise the amount that it sets out, the OBR, understandably, knowing that growth is depressed, has set out that far less money will actually come through?

Mr Gauke: If that is the point that the right hon. Gentleman is getting at, I must point out what the OBR made very clear in the Red Book. That point is that it is misleading to make a straight comparison between the growth figures that were projected on the basis of market expectations of interest rates, which were lower as a consequence of the anticipated fiscal tightening that this Government promised to deliver and that we have delivered, and the forecasts that do not take that into account. That is a point that we have gone over a number of times. The OBR said that such comparisons were potentially misleading, so if that idea is what is driving the right hon. Gentleman's queries, I must point out to him that the OBR would not accept that.

Matthew Hancock (West Suffolk) (Con): Is not one explanation the idea that the OBR came forward with growth forecasts that were reasonable and at least had a hope of being accurate rather than the hopelessly over-optimistic growth forecasts put in place by the previous Government?

Mr Gauke: My hon. Friend might well have the answer. One point that we learned from Lord Mandelson in the course of his much-loved memoirs is that the then Chancellor, who is now shadow Chancellor, apparently accused the then Prime Minister of having a "ludicrously over-optimistic" view of what the growth forecasts would be and about

"Britain's ability to support such a large and expanding deficit."

That might well be the explanation.

Mr Byrne *rose—*

Mr Gauke: I shall let the right hon. Gentleman, who was of course a member of that Treasury team, intervene. Perhaps I should ask him whether he supported the proposal to increase VAT advocated by the then Chancellor in 2009.

Mr Byrne: I rise with the ambition of being helpful to the Minister as he will not want knowingly or unknowingly to mislead the House. He will know that the OBR forecast on page 101 is a forecast of what tax receipts will come in on the basis of the Budget set out in the Red Book. These things are entirely consistent with each other and the forecast has nothing to do with previous Budgets or previous OBR estimates. Will he confirm that for the House?

Mr Gauke: The fact is that the big risk to growth for this country would have been if we had done nothing about the deficit. If we had tried to ignore it, we would have found ourselves having our credit rating downgraded, as has happened to Greece, Portugal, Spain and now the Republic of Ireland, and we would have faced a contagion of sovereign debt. We have taken the necessary actions to ensure that growth is secure and the fact is that the OBR projections have far greater credibility than the previous Government's—we have learned about how political they were in making their growth forecasts. Our growth forecasts have credibility. Our public finances have a credibility that they did not before. We can be proud of that.

As we have heard, the previous Treasury team believed that an increase in VAT was necessary and that was only blocked by the previous Prime Minister. One can hope that the previous Prime Minister, the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown), has seen the error of his ways. I noticed that he did not feature in the Division Lobby opposing the VAT increase—perhaps we have persuaded him, after all, that his views on VAT were unwise. We have succeeded where the shadow Chancellor failed.

We have heard legitimate concerns about how the most vulnerable in society will be protected, but we have sought to provide such protection in the Budget. For example, we have committed to the uprating of the basic state pension through a triple guarantee of earnings prices or 2.5%, whichever is highest, from April 2011. We have taken steps to increase the child tax credit.

Ms Angela Eagle (Wallasey) (Lab): I thank the hon. Gentleman for his generosity in giving way. On this point about uprating pensions, will he take this opportunity to admit that the shift from the retail prices index to the consumer prices index as the definition for which all benefits and now all pensions will be indexed is scored as plus £6 billion in the Red Book, which means that he is taking that amount of money from some of the most vulnerable and poorest people in the country?

Mr Gauke: We have taken measures to secure the public finances for the longer term, but we have done so by protecting the poorest in society. We have provided a triple guarantee for pensioners and we have finally restored the earnings link that our predecessors did not succeed in restoring in 13 years. In addition, we have taken steps to increase the child tax credit by £150 next year and by £60 in the following year. As a result, levels of child poverty after the Budget will remain unaffected, taking into account all the measures of the next couple of years.

Andrew George: I hate to drag the Minister back to VAT, but he moved on from it very swiftly after the shadow Chief Secretary's question about the alleged black hole in the finances. Given that there is no, or very little, likelihood of a sunset clause in the Bill or a further evaluation of VAT within this Parliament, will the Minister confirm that each of the zero ratings and exemptions from VAT, as well as the reduced levels of VAT that are available, will be retained and protected? That is very important in order for him to advance his point about the protection for lower-paid people.

Mr Gauke: That is our intention. The Chancellor has made it clear that we have no intention of reconsidering the zero ratings for food or children's clothes. There are occasional border disputes regarding goods that are zero-rated and those that are fully rated, but on the fundamental question of zero-rating we have made it absolutely clear that we do not intend to revisit those areas. We are also increasing the personal allowance on income tax.

Toby Perkins (Chesterfield) (Lab): May I drag the Minister back to his point about the VAT rise being part of a package of measures and about the poorest being protected by the Budget when it is taken in the whole rather than just looking at the VAT rise? Will he remind the House what safeguards there are for pensioners or unemployed people who do not have children? What benefits will they gain that will pay for the extra VAT that they are going to pay?

Mr Gauke: Again, I refer the hon. Gentleman to the distributional charts, particularly those that examine these matters on the basis of the expenditure decile, which academics increasingly believe provides a better examination of those who are suffering from material deprivation. That approach demonstrates that the measures are progressive, when taken as a whole, and that the wealthier sectors of society are paying more. The distributional analyses show that the single tax measure that had a regressive effect was the dumping of the 10p rate of income tax that was announced in 2007, which hurt the bottom five deciles and benefited the top five. That does not seem fair, and I am glad that we were not part of the Government who did that.

Chris Leslie (Nottingham East) (Lab/Co-op): Will the Minister give way?

Mr Gauke: I will, because the hon. Gentleman has been such an assiduous attender of these debates, but I want then to make some progress.

Chris Leslie: I am grateful to the Minister for giving way. The distributional tables in section A of the Red Book that he mentions are quite interesting, but will he remind us why they extend for only two years? Does he plan to lay any more tables before the House, soon—I do not know whether we could get them before the end of Third Reading—so that we can talk about when the real cuts to benefits and to the poorest people will kick in?

Mr Gauke: The further forward the projections go, the less reliable the information and evidence on existing measures, not to mention the fact that, of course, there will be a number of Budgets between now and then and further policy announcements will be made during that period. Therefore, those projections are unlikely to be particularly accurate or helpful to the House.

Stewart Hosie (Dundee East) (SNP): The Minister has been telling us about a number of measures that will mitigate the VAT rise, such as changes to the tax system and tax credits, but none of those things is in the Bill. He has not mentioned some of the other cuts not yet announced but promised that are not in the Budget either, not least the huge savings intended to be made in the welfare system. Would he care to give a more rounded picture and tell us what the impact on those who are at the very bottom and wholly dependent on benefits will be when those cuts kick in?

Mr Gauke: This Government have provided greater distributional analysis than any Government have done before. Clearly, in very difficult times, when it is necessary to raise substantial sums and to reduce the deficit very dramatically, we have managed to do so in a way that has spread the pain. It is not the Government's desire from any great sense of pleasure to be taking tough measures, but that is unavoidable—we cannot ignore it or hide from it—and, yes, there will be pain, but there is no alternative.

Our long-term objective remains to increase the personal allowance to £10,000, as set out in the coalition agreement, and we have made progress in the Bill and the Budget. We are increasing the personal allowance on income tax and taking almost 1 million people—the lowest earning income tax payers—out of income tax altogether. That will also benefit 23 million people who work in Britain by up to £170 a year.

The second matter that the Bill stands for is freedom—freedom for the private sector to grow, unconstrained by uncompetitive tax rates. The Bill will take the first step towards that by cutting the corporation tax rate to 27%, and it will be cut every year until it reaches 24%—the lowest rate of any major western economy, one of the lowest rates in the G7 and the lowest rate that this country has ever known.

Hon. Members were concerned that cutting the main rate would mean that banks did not pay their fair share. Many sectors, including manufacturing, will benefit from the reduction in corporation tax, but we have made it clear that the reforms outlined in the Budget will ensure a greater contribution from the banking sector—one that far outweighs any benefit that they receive from lower corporation tax rates. The banking levy announced in the Budget is a surgical approach reflective of economic risk and intended to encourage banks to move to less risky funding profiles. Banks will pay at least £2 billion more in tax as a consequence of those proposals.

The hon. Member for Nottingham East (Chris Leslie), who has contributed a great deal to the debates on the Bill, was particularly concerned that the banks will be let off for risky behaviour. That is not the case, but I hope he will accept that a targeted approach is the best way forward. Tax competitiveness is good for employers and society as a whole, and the bank levy allows us to be competitive, while ensuring appropriate tax treatment for those activities that pose the greatest risk.

Chris Leslie: I will certainly look closely at the bank levy consultation, but I was looking at the *Hansard* report of the costs to the Exchequer of the corporation tax giveaway to the banks. It is not just £400 million in the final year, 2014-15; there is also £100 million of lost revenue in 2011-12; £200 million in 2012-13; and £300 million in 2013-14. Cumulatively, over the period of the Budget, there are £1 billion in corporate tax giveaways to the banks. Surely, if there really is no alternative, the hon. Gentleman should think again about that cash-back arrangement.

Mr Gauke: The hon. Gentleman was a Member of the House in the early days of the previous Government, so he knows all about rolling up numbers. I could roll up the numbers for how much will be raised from the bank levy—I do not have the details in front of me, but we would get to about £8 billion—but I am not sure that that is a terribly helpful way of approaching things.

The corporation tax reduction is just one part of the wider package to build a private sector-led recovery. Instead of increasing the small profit rate by 1%, we will cut it to 20% in next year's Bill, which will benefit some 850,000 companies from April 2011. We are increasing the threshold at which employers start to pay national insurance contributions and have announced a package of support for small businesses. The package will also include a reduction in the writing-down value of plant and machinery allowances to 18% and a reduction in the annual investment allowance to £25,000. That will still provide for allowances that are broadly in line with depreciation, while the annual investment allowance will still cover the annual qualifying expenditure of 95% of businesses. Furthermore, we are reducing the main rate of corporation tax this year and changing allowances in 2012. We are giving companies a timing benefit that will form part of the £13 billion extra that will be invested as a result of the changes.

The third and final area that we are addressing is fairness. Clause 2 increases the rate for capital gains tax for higher rate payers to 28%. That progressive change will substantially reduce the incentive for individuals to disguise their income as a return on capital. It will ensure that the appropriate rate of taxation is paid, which is fair in itself.

Avoidance is a significant issue for the Government and it has been a significant topic throughout the Bill's passage. It was raised with reference to corporation tax and capital gains tax, and it is the target of clauses 8 and 9, which protect about £200 million of revenue a year. I assure the House that the Government are absolutely committed to tackling avoidance and evasion robustly.

Kelvin Hopkins (Luton North) (Lab): Will the hon. Gentleman give way?

Mr Gauke: If the hon. Gentleman will forgive me, I am keen to press on.

We have inherited plans to limit tax relief on pension savings for the wealthiest. Under the approach in the Finance Act 2010, individuals on the highest incomes who were able to make very large pension contributions

[Mr Gauke]

could have continued to get pensions tax relief worth up to £51,000 a year. We have concerns about the complexity and fairness of the previous Government's approach. Given the state of the public finances, we cannot ignore the £4 billion or more of revenue that the policy was set to raise, and as we are committed to protecting the public finances, the alternative needs to raise no less revenue than the existing plans. We are looking at an approach whereby the annual tax relief available will be restricted to less than half that under the previous Government's plan, which will significantly curtail the ability of the super-rich to benefit from pensions tax relief.

We have touched on annuities. We want to enable people to make more flexible use of their pension savings. We intend to end the obligation to annuitise by the age of 75 from April 2011, and last week we launched a consultation on the details of the change. Before a new system is introduced in next year's Finance Bill, this Bill puts in place interim measures that will delay such decisions until an individual is 77. That will prevent anyone turning 75 on or after Budget day from being disadvantaged by having to make a decision before the new rules are in place.

The Bill is at the heart of the Budget changes that are necessary for this country's tax system. Unlike our predecessors, we do not believe that, in a pit of debt, we should still be digging. We do not believe that we can just borrow to pay for front-line services. In the words of the previous Chancellor:

"If we are not credible in what we do and say, people will assume there will be more borrowing or huge tax rises to come."

Our predecessors failed that test but we are succeeding.

In the words of the shadow Business Secretary, we cannot wish the deficit problem away. The Bill will promote enterprise. It is progressive and responsible, and I commend it to the House.

4.54 pm

Mr Liam Byrne (Birmingham, Hodge Hill) (Lab): I am very grateful for the opportunity to say a few things in conclusion to our debate about the panic Budget that has been sped through this place. To all those who have observed these debates about the Budget and the Finance Bill, it is now clear that the Budget is born not of economic necessity, but of political anxiety—anxiety that, if Liberal Democrat Members are allowed to see any more evidence of the damage that the Budget is doing to confidence and growth, they will remember where they buried their Keynesian tradition, disinter it and refuse the Chancellor their support.

The great question that this Budget and Finance Bill should have answered is how do we lock in the recovery that Labour left? Winning that recovery dominated our final two years of office. Not since 1945 has the world been hit by a recession on the scale of that which hit our shores in 2008. The global economy shrank by some 1% for the first time since the war, G7 economies shrank by some 3% and world trade fell by some 12%. What started as a collapse in confidence on Wall street rapidly infected the world's financial system and triggered a disastrous domino-like collapse in confidence among markets throughout the world. No country, not least one of the world's great trading nations, could be isolated from its effect, and we were not.

Kelvin Hopkins: My right hon. Friend referred to the 1940s, when the deficit was massively higher than it is now. Of course, the magnificent Labour Government of 1945-51 grew their way out of problems by keeping full employment and public spending going.

Mr Byrne: Precisely. The Minister could not understand that point from his own Budget, but I shall explain it in more depth in a moment.

On Friday this week, we will be able to test the durability of the recovery that Labour delivered. Almost two years on from the oil price hitting $147 and the collapse of Lehman Brothers, the Office for National Statistics will publish growth figures for the second quarter of 2010, which I am sure all hon. Members await with some interest. But this much we already know. The ONS has told us that our economy has grown by 0.7% since its low point last year; that growth in the first quarter of 2010 was some £8 billion larger than it was in the final quarter of 2009; and that output is growing by about £88 million a day.

The National Institute of Economic and Social Research has also already estimated that output in the second quarter of this year could hit 0.7%. If that comes to pass, it will be no mean achievement, especially when our neighbours tell us precisely how hard it is to sustain recovery. In the first quarter of this year, our last quarter in office, growth in this country reached 0.3%. In Germany, it was lower; in France, it was lower still; in the eurozone, it was lower; and Spain, Ireland and Greece are all forecast to see negative growth this year. Labour is proud to be the party of the recovery, and the question that the Bill should have answered is, how do we guarantee the recovery's future?

We are proud to have been the party that brought together a global response to the recession. Here in London, countries from throughout the world agreed a plan, including a £1.1 trillion support package, that helped to ensure the revision of global growth from 1.9% last year up to 3.5% this year. We are very proud to be the party that stopped the British banking system collapsing in the face of its exposure to melting international credit systems, and we are very proud to be the party that put in place here at home the most comprehensive recovery plan to protect people's jobs from the axe, homes from repossession and employers from liquidation.

Sajid Javid (Bromsgrove) (Con): The right hon. Gentleman quotes ONS statistics, but he will also be aware of how last week the ONS reported that, from peak to trough, the British economy declined by 6.7%—more than any other industrialised economy. Is he also proud of that?

Mr Byrne: Perhaps the hon. Gentleman will intervene again and remind us what happened in Germany and Japan. Will he tell us a little more about what happened to unemployment in other major economic nations?

Sajid Javid: I thank the right hon. Gentleman for giving me the opportunity to intervene again. The 6.7% decline was bigger than that of any other industrialised economy; no other economy racked up a debt, both

visible and unofficial, at the rate that we did; and no other economy pumped in £200 billion of its own printed money, the results of which we still do not know. He might be proud of the results that he thinks have been achieved, but the full consequences of the Labour party's actions over the past two or three years are not yet known and may be much worse than we know them to be today.

Mr Byrne: Let us come to that point directly. If we want to understand the difference between our parties, we need only compare the recession that we have been through in the past two years with the one presided over by the Conservative party. Unemployment in this recession is half what it was during the recession of the 1990s. Furthermore, repossessions are 40% lower and company insolvencies are running at about a third of the rate reached in the 1990s recession. We Labour Members believe that it is right to act to protect people's jobs and homes and the firms that they work in.

Stewart Hosie: Much as I like the shadow Chief Secretary and much as he is doing a sterling job in attacking this new nasty Con-Dem Government, a wee bit of revisionism is going on here. The UK did not lead the way. The fiscal stimulus packages in the United States, France, Japan and even Germany predated the United Kingdom's. If there were a bit more reality in this, there would be a lot more credibility to the attacks that the right hon. Gentleman is trying to level at the new Government.

Mr Byrne: It would be churlish of the hon. Gentleman not to acknowledge the role that the Labour Government played in bringing the G20 to London and agreeing a £1.1 trillion package of support, as well as the measures on international banking reform. All that ensured that whereas fairly low levels of growth in world trade and world economic improvement were projected last year, we are now looking at a significantly better picture. Surely he will acknowledge that.

Stewart Hosie: I supported fiscal stimulus; I still support fiscal stimulus when it is necessary. The question is not what may or may not have been spun at a G20 meeting, but why the Labour Government left the UK as one of only two G20 countries without a fiscal stimulus package in 2010. I welcome banking regulation, but given that Northern Rock began to collapse in the late summer of 2007, why will the real new banking regulation that we need still not be in place until the autumn of 2012?

Mr Byrne: I do not know what figures the hon. Gentleman is looking at, but in the March Budget the fiscal stimulus provided by automatic stabilisers was about 4.4% of GDP. The idea that a fiscal stimulus was not sustained into 2010 is fantasy.

Toby Perkins: I should like to bring my right hon. Friend back to what he was talking about—unemployment, housing, the impact on people and how the last Labour Government protected people on the ground. Is it not strange that there seems to be no acknowledgment from those on the Government Benches about how many extra people are in work and still have the homes for which they have worked so hard all their lives? There seems to be no acknowledgment from the Conservative party that that issue is worth worrying about. Perhaps that is because they were not the people who lost their jobs or were in danger of losing their homes.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I press hon. Members to make shorter interventions. The shadow Chief Secretary is being generous; may that continue.

Mr Byrne: Thank you, Mr Deputy Speaker.

I want to pursue the argument for a moment longer. The implication of the intervention by the hon. Member for Bromsgrove (Sajid Javid) is that somehow there was a cut-price way for us to have ensured the recovery, which is now under way in this country. Sometimes when I listen to Conservative Members, I cannot make out whether their preference is simply to have done nothing during the past two years or whether it is that we should have invented some kind of cut-price plan to kick-start the recovery. Sometimes I feel that there is an illusion on the Government Benches that we could have rummaged around in a Budget bargain basement and found a Ryanair, cut-price, no-frills plan that would have delivered the economic growth that this country is now experiencing.

Elizabeth Truss (South West Norfolk) (Con): What we are criticising is how the debt was built up prior to the economy going into freefall. Public spending in many areas doubled, yet productivity did not increase. Between 1997 and 2007, productivity went up by 2.3% in the private sector, but fell by 0.3% in the public sector. What we had was years and years of waste.

Mr Byrne: Perhaps the hon. Lady could explain why the Conservatives supported our spending plans until 2008. As for public sector productivity, she will know as well as I do that if more medical staff are put on to nurse patients, one might get a higher survival rate and better care, but such outputs do not show up in the cold light of productivity statistics.

Alun Cairns (Vale of Glamorgan) (Con): The right hon. Gentleman talked about an illusion, and we can trade statistics back and forth, but at the election the ultimate judgment came down to the British people, who judged that Labour had failed to regenerate the economy and offer a way forward. That was the ultimate judgment, as opposed to the rose-tinted spectacles that he appears to be looking through.

Mr Byrne: I am grateful to the hon. Gentleman for raising the question of mandates. If one thing is clear in the debates that we have had in the months since the election, it is that there is absolutely no mandate for the VAT measure in the Finance Bill. I would be interested to hear how he is explaining that to his constituents.

I do not believe—nor have I heard any explanation of this—that some kind of recovery plan on the cheap could have delivered the economic recovery that is now under way. In life's difficult moments, one is always open to advice, but the truth is that if we had followed the prescription of the Conservatives, we could have kissed goodbye to the recovery, not least because our banking system would have collapsed, the cash points

[Mr Byrne]

would have stopped, the dole queues would have spiralled, repossessions would have spiked, and Britain's small businesses would have been submerged beneath a wave of foreclosure, bankruptcy and liquidation.

Mr John Redwood (Wokingham) (Con): In August and September 2007, when I and some others were urging the Government to make more cash and liquidity available to the banking system to prevent the collapse of Northern Rock and others, why did they ignore our warning? Why did they lecture the banks about having got it wrong, instead of supplying reasonable amounts of money to see them through, and then bankrupt them as a result?

Mr Byrne: I seem to remember that the Government's response to the banking system was opposed by the Conservatives when it came down to the substance of a vote. When legislation was brought before this House to accelerate the way in which the banks could be sorted out, the Conservatives voted against it.

In the Budget and the Finance Bill, the Conservatives should have centred their rationale on how the recovery can be sustained. In the debates on those measures, I think we have established that there is a consensus that the deficit has to come down. The price of dodging an economic doomsday was not cheap, and the deficit was bound to rise. However, when the shocks hit back in 2008, we had the second lowest debt in the G7. Between 1997 and 2007, we cut public sector debt from 42.5% of gross domestic product to 36% of GDP. Over the 10 years before the crisis, UK borrowing averaged 1.4% of GDP compared with 1.9% for the rest of the OECD economies. As a result, even amid the current expense, our national debt will simply rise in line with every other major economy.

We have learned something from the debates on the Finance Bill and the Budget about the disposition—the economic philosophy—not only of the Conservatives but of the Liberal Democrats. They may feel that the price of recovery was not a price worth paying, but they cannot ignore what economic statistics are now saying about how the recovery is improving the position of the public finances. In March, my right hon. Friend the shadow Chancellor told the House that the deficit this year was £13 billion better than expected for 2010-11; in June, the Office for Budget Responsibility said that it was £8 billion better even than that. Since February, £123 billion has been knocked off projections for national debt, and that is before we sell our shares in the banks. The Government's budget was underspent last year to the tune of £5 billion according to Treasury figures that we saw a week or two ago, and interest rates were falling in the months before the election.

When we examine the savings generated by falling unemployment, we can really see the wisdom of a strategy that hinges on growing our way out of recession. Our policy all along was to act to ensure that we kept unemployment down. Not only did that policy work well, and not only was it morally right, but it was economically wise. Our policy has delivered unemployment that is 2% lower than either in America or across the European Union. In the Budget in 2009, we had to assume that unemployment would stick at about 2.44 million. A year later, in the 2010 Budget, that forecast had fallen by 700,000 people to 1.74 million. That meant that over the four years from 2010 to 2013, there would have been a fall of £14 billion in the unemployment benefit bill, as well as an incalculable saving in human misery.

With that inherited recovery in place, the question that the House should ask in relation to the Finance Bill is what action should be taken to speed up the recovery. How can we guarantee the recovery's certainty and begin to marshal investment into rebuilding an economy that is better balanced? Instead of providing any answers to those questions, the Budget and the Finance Bill will slow the recovery down and put more people on the dole. They offer a strategy for rebalancing the economy composed in equal measure of a wing and a prayer.

Nothing better illustrates the gambling instincts of this Government than the fast cuts to public sector jobs and the depression of consumer demand through VAT. With the most breathtaking casualness, they are prepared to put our hardest-fought recovery at risk. With such an unlikely scenario for growth in his pocket, one would have thought that the Chancellor might just hedge his bets a little and ensure that the private sector was creating jobs at some pace before bringing forward plans to sack up to 800,000 public servants. One might have thought that he would have some regard for cities such as my home town, Birmingham. It already has high unemployment, but if the Chancellor cuts 9% of the 156,000 public sector workers there, it will potentially rise by 14,000 people. That will not help the recovery in Birmingham; it will act as a drag anchor on recovery. That story can be told in towns and cities all over the country.

Owen Smith (Pontypridd) (Lab): On precisely that point about the different levels of private sector job creation and public sector job losses around the country, was my right hon. Friend worried to see the Oxford Economics report of last week predicting that in Wales, for example, just 4,000 jobs will be created, which represents 0.3% growth over the next five years? That will lead to significant net increases in unemployment in Wales and the report predicted that we would not see a return to the current levels of employment until 2025. The picture is similar in the west midlands and other areas across the country.

Mr Byrne: My hon. Friend highlights the second risk that I wish to move on to. With risks so great, and talked about so freely and with such casualness, one would have thought that at the very least, the Finance Bill would contain one or two more measures to encourage the growth of domestic demand instead of measures to try to tax it back into recession.

The truth is that the Bill attacks domestic demand with such viciousness that the country is now hoarding its silver at an almost unprecedented pace. Britain's families and businesses now have so little confidence in the future of the economy that rather than make the odd investment here and there, they have tucked away something of the order of £130 billion in the bank as the household saving rate has escalated. Britain is now saving money that is not being spent either in the shops or on building new factories or production lines. The Budget has not restored confidence but is draining it fast.

The Economic Secretary to the Treasury (Justine Greening): Will the right hon. Gentleman give way?

Mr Byrne: Of course I will give way to the hon. Lady. She has been chuntering away so assiduously from a sedentary position, and it will be nice to hear her from the Dispatch Box.

Justine Greening: Is the right hon. Gentleman saying that he thinks the savings ratio is too high and that we should encourage people to go out and spend, spend, spend even if they cannot afford it?

Mr Byrne: No. I am saying that the country's investors now have so little confidence in the economic plan that they would rather save their money than dare to invest it in productive capacity and growth for the future.

Let us look at some of the measures that show the decline in confidence. The Bank of England says that mortgage approvals fell in June; last month, the consumer confidence index fell for the first time in a long time; and yesterday, Rightmove told us that house prices have been cut for the first time this year. The Budget and the Bill are putting Britain's recovery in the slow lane. The greatest irony of all is that we must all pay more as a consequence.

Sammy Wilson (East Antrim) (DUP): The right hon. Gentleman mentioned two aspects of aggregate demand—consumer spending and Government spending—but is he also concerned that the Government are depending partly on an increase in exports, because all the indications are that the markets in Europe and America will not be as buoyant as was assumed? Therefore, all three major areas of aggregate demand will be subject to downward pressure.

Mr Byrne: The hon. Gentleman makes an extremely good point. The evidence on that is mixed. The CBI industrial production survey, which was published earlier this afternoon, shows that manufacturers reported that the second quarter of this year was good and that they have a degree of confidence in exports. However, the problem is that the OBR is projecting a £100 billion increase in exports over the next four or five years. That is the equivalent of our exports to America tripling, our exports to China going up by something like 20 times, and our exports to India going up by something like 40 times. That may well come to pass, but it is safe to say that very few people would bet on it. That is why the Opposition believe that the Government should do a little more to nurture both domestic business investment and domestic demand.

The alternatives for reducing the deficit that we have rehearsed in the past couple of weeks bear a final word this afternoon. I want to return to the explanation of the difference between the scorecard projections for tax growth and what the OBR said would come through the door, which the Exchequer Secretary struggled with earlier. The point centres on how much growth will contribute to paying down the deficit over the next four years. The Labour Government's deficit reduction plan projected that the deficit would be reduced by something of the order of £78 billion over the next four years, and the OBR inconveniently told the Chancellor that we were on course to deliver that. That plan involved £57 billion-worth of discretionary action, which was set out in detail in chapter 6 of the March Budget—£19 billion in tax increases and £38 billion of spending cuts. However, £21 billion of the deficit was projected to be closed by the economy returning to growth, with higher tax receipts and lower benefit bills.

The June Budget appears to hit growth so hard that £9 billion of extra tax is necessary to make good the effect of lower growth. That is the price of slowing the recovery. The Liberal Democrats are awfully pleased that they got an increase in income tax thresholds, and I congratulate them on securing that concession, but the truth is that they have been sold a pup. They could have had the increase in the threshold they originally wanted if we did not have to pay for the cost of lost growth.

The Budget scorecard on page 40 of the Red Book says that by rights, the Chancellor's decision ought to bring in an extra £8.2 billion in tax by 2014-15, but the OBR says that only £3.1 billion will actually come through the door, because growth will be depressed so much by the Budget. The Red Book goes on to say—on page 97, table C9—that something like £9 billion in extra taxes and spending cuts are necessary because of this go-slow Budget. In other words, the Government have almost halved the contribution of growth to closing the deficit. It is now quite clear to the House that although the Government may have lost their monetarists, they have certainly not lost their masochists.

Sajid Javid: The right hon. Gentleman was comparing the growth forecast of the previous Government to that of the current Government. Is not the truth that the forecasts of the previous Government were made up by Ministers whereas the forecasts we are looking at today were made up by the independent OBR? He talks about selling a pup, but was not the pup the forecasts of the previous Government?

Mr Byrne: I hope that at some point in his future illustrious career in this House the hon. Gentleman has the chance to put that argument to the chief economist of the Treasury, David Ramsden. The growth forecasts that were published in our Budget were set out by Treasury civil servants. Like me, the hon. Gentleman will have noticed that the rebound in growth that was projected by the then Chancellor—now the shadow Chancellor—was very much in line with the rebound in growth that we saw after recessions in the 1980s and 1990s, but it was supported by far stronger monetary policy action. We were comfortable with the growth forecasts that we presented. The hon. Gentleman will have to reconcile himself in the months to come to the impact of slower growth and the fact that we are now having to put taxes up—something that I always thought the Conservatives opposed—because demand has been depressed to such an extent.

Andrea Leadsom (South Northamptonshire) (Con): Only this morning in the Treasury Committee we were talking with Sir Alan Budd and some of the members of the OBR, who made it clear that their role in challenging Treasury forecasters was strong and robust. They see the role of the OBR—as confirmed by Dave Ramsden when he was interviewed—as extremely positive. In fact, Mr Ramsden said that the OBR has achieved, in transparency terms, 20 years of progress in eight weeks.

Mr Byrne: The hon. Lady is right to underline the virtues of the OBR. I, too, welcome it, which is why it is so regrettable that it moved forward its press releases

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and gave the appearance of supporting the Prime Minister through what was a sticky Prime Minister's questions. I look forward to the day when Members of Parliament have the right to appoint the leadership of the OBR, just as I look forward to the day that we have the right to appoint leaders of the Office of Tax Simplification, who—we learned this afternoon—appear to have been appointed on some kind of whim.

My final point is the basic failure of fairness in the Bill. The truth is that the Government were so embarrassed—perhaps some of their members were even slightly ashamed—that the Budget was so regressive that they only dared describe its effects flattered by Labour measures and three years before the full horrors take effect. We did not hear a word from the Government about the £8 billion hit that our country's pensioners will take in new VAT bills. Nor were we told about the £70 million of extra, irrecoverable VAT that our charities will now pay.

We gave both the Conservatives and the Liberal Democrats a chance to vote for an amendment to delay the VAT increase until a plan was in place to compensate pensioners and charities fully, and they voted against it. The public will draw only one conclusion—that this Government simply do not care. If I am not mistaken, the entire contribution of the big society bank that Labour created will be wiped out by the VAT increase—*[Interruption.]* I hear protests from the other side of the House. If they read the March Budget they will see clearly set out the measures to recycle dormant accounts into the social investment wholesale bank. The proposals appeared under that heading in many manifestos.

What a cruel con trick to perform on some of Britain's most deserving. Yesterday, the Prime Minister told us that he wanted to put some oomph into Britain's communities. Many of us would agree that it was a phrase worthy of the Mayor of London. This Budget tells us that the only thing going into communities from this Government will be the boot. That is why we will campaign up and down the country for a proper plan for growth and jobs, and for proper protection from this Budget for our pensioners. It is also why we will oppose this Bill in the Lobby tonight.

5.24 pm

Matthew Hancock (West Suffolk) (Con): It is an honour to follow the right hon. Member for Birmingham, Hodge Hill (Mr Byrne). Having spoken a couple of times in the debates on this Bill as it has passed through the House, I wanted today to consider the economic evidence. We have heard an awful lot about the importance of what we need to do, and we have heard an awful lot from the Labour party complaining about every measure put forward, but it is also important to consider the economic evidence. Listening to his speech, it struck me that he thinks that nothing that the previous Labour Government did was wrong. It also strikes me that, so long as he and his party continue with that approach, nobody will listen to them when they make other points. It is clear to all of us who went through the election campaign that the previous Government did many things wrong, and a little bit of an apology, or perhaps a suggestion of individual things that went wrong, might be appreciated in this debate.

Thomas Docherty (Dunfermline and West Fife) (Lab): The hon. Gentleman has criticised the previous Government time and time again. However, does he think fundamentally that the strategy taken by my right hon. Friend the Member for Kirkcaldy and Cowdenbeath (Mr Brown) to intervene when the wheels were coming off the wagon was the wrong thing or the right thing for us to have done—yes or no?

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I remind Members that we have to stick to the Bill. We are being dragged off in different directions, so please stick to the Bill. That is what we are debating.

Matthew Hancock: I am grateful for the opportunity to pay tribute to the then Chancellor, who expressed his gratitude to the then Opposition Conservative party for the support it gave him during September 2008. That is often forgotten on the Labour Benches.

On the evidence, one of the central questions to which we return time and again in this debate is whether there is a contradiction between dealing with the deficit and getting growth. It is clear that the Labour Front-Bench team think that those two things are entirely in contradiction. However, I want to consider the evidence for whether that is true. We all know that, in the long term, tackling the deficit is unavoidable—occasionally that is even acknowledged by those on the Labour Front Bench. Any child born is born with £23,000 of debt, and under the former Government's plans, interest payments would have amounted to £70 billion a year, which could otherwise have been spent on important public spending.

There is also a question, in the shorter term, of whether fiscal responsibility can lead to growth. I was interested in this, so I went to look at some of the evidence. There is a very good literature review by Alberto Alesina, who, having described the argument that there is only either fiscal consolidation or growth, wrote that

"the accumulated evidence paints a different picture... Many even sharp reductions of budget deficits have been accompanied and immediately followed by sustained growth... These are the adjustments which have occurred on the spending side and have been large, credible and decisive."

If the shadow Minister thinks that the Budget was large, credible and decisive, I would be happy to hear from him.

Mr Byrne: I understand the debating technique that the hon. Gentleman is adopting—trying to set up a straw man in order to knock it down—but our deficit reduction plan contained £57 billion of decisions relating to fiscal consolidation alongside £22 billion of growth. Fiscal consolidation was not posed as an alternative to growth; actually the two things were seen very much as twins.

Matthew Hancock: Unfortunately, those from whom the previous Government had borrowed so much did not see a credible plan from the Labour party. That is why we have had to introduce the emergency Budget, so that we could put that credible plan in place. Since the election, there have been downgrades in the debt of many of our competitors, so it is critical that we have managed to put that triple A rating on to a sustainable basis.

I want to go through three reasons why a fiscal consolidation can lead to growth. The first, of course, concerns interest rates. The long-term interest rates at

which many companies around the country borrow—they include those in my constituency, and no doubt those of all other Members—have fallen. In fact, since the election the 10-year rate has fallen from 3.88 to 3.44%, which represents more than a 10% fall in the funding costs of companies up and down the country. Of course, that was not taken into account in the two productions of the Office for Budget Responsibility analysis, which is why a direct comparison of the two is, as stated by Sir Alan Budd, misleading.

James Wharton (Stockton South) (Con): I would like to echo my hon. Friend's comments about interest rates, but also add that low interest rates have a beneficial impact not only on our economy and businesses, but on the very individuals and families whom the right hon. Member for Birmingham, Hodge Hill (Mr Byrne) talked so much about. The most disadvantaged in our society will benefit most from the positive outcomes of the fiscal and economic policy approach that we have taken.

Matthew Hancock: My hon. Friend is getting a reputation for making extremely good interventions, and that was one of them. Fiscal consolidation also means that interest rates can be held lower for longer by the independent Bank of England, which is a second important channel through which economic growth can be supported, and not opposed, by fiscal consolidation.

Mr Byrne: I am following the hon. Gentleman's argument with great interest. He will have worked at the Bank of England for long enough to be able to read bond yields. Like me, he will have noticed that they were actually coming down from late 2008, down to a low point in February, not least because there was a flight to safety in the European bond markets. As people began to worry about what was going on in the eurozone, they chose to transfer to safer assets, including UK gilts. That was because there was credibility in what was the fastest and clearest deficit reduction plan of any country in the G7.

Matthew Hancock: Of course, the bond market could see a Conservative—or coalition—Government coming, and that is exactly what happened. I will say this to the right hon. Gentleman: when there is a flight to safety, I would rather it was to British bonds, not to bonds overseas, which is what could easily happen if we did not have a credible policy.

Kwasi Kwarteng (Spelthorne) (Con): Those of us who have looked at bond yields will have noticed that the tightening—as it called—of British bonds actually happened in April. That happened as a consequence of the markets being sure that the Labour Government would be voted out, as everyone in the City has mentioned.

Matthew Hancock: I am always delighted to talk about when the previous Labour Government lost office, so I thank my hon. Friend for that intervention. Let me go through a few more elements of the economic evidence. I have here an extremely good literature review, by Policy Exchange, the think-tank, which lists—

Chris Leslie: Tories!

Matthew Hancock: What Policy Exchange has done is review the economic literature, which is what I am looking at. Perotti, in 1999, said:

"High debt levels are associated with higher probability for fiscal policy to have"

expansionary effects. The European Commission—not something that Labour Members tend to barrack—said: "Expenditure cuts may exhibit" expansionary features,

"even in the short and medium run."

So the economic evidence is there. The best quotation from that review is this:

"Though now quite well established in economic literature"—

referring to the argument that fiscal consolidations promote growth—

"this work is still feeding its way into the wider public consciousness."

No doubt part of the reason for the slow move of that argument into the public consciousness is the argument put forward by Opposition Members that it is not true.

There are two other important ways in which consolidation will get to higher growth. The first, of course, concerns expectations of future tax rates. If people around the country can see that spending is out of control, they will anticipate that taxes might have to rise in future, whereas setting out a clear path for taxes makes it clear that there will not have to be sharp and immediate tax rises in future, even if that path includes some tax measures. That forward-looking element of human nature, which is so important in understanding how the economy works, matters at a personal level—for some people far more than for others, as I entirely accept—but it especially matters in the corporate world. Businesses look to the future to see how much tax they will be paying, as well as how much it will cost them to pay it because of the complexity of that tax. That is why it is so important to have both the simplification of the tax system that my hon. Friend the Exchequer Secretary—soon to be right hon. Friend, no doubt—set out, and the ladder down in headline corporation tax rate, which will set out a 1% reduction year on year so that our businesses know that Britain is open for business.

Owen Smith: On that specific point of corporations looking to the future and thinking about how to plan their business, can the hon. Gentleman tell me of any industrial sector or any big British company that has responded to the austerity budget and said that they now anticipate significant growth and taking on new people? I have not seen any such report.

Mr Deputy Speaker (Mr Nigel Evans): Order. Before the hon. Member for West Suffolk (Matthew Hancock) resumes his speech, let me say that we allow some latitude on Third Reading of the Finance Bill, but that it would be useful if Members made reference to the Bill from time to time.

Matthew Hancock: The reductions in corporation tax that are outlined in this Bill have been welcomed by the CBI, the British Chambers of Commerce, the Institute of Directors and the Federation of Small Businesses. Indeed, a multitude of business organisations have welcomed it. Even the Engineering Employers Federation said that this was a path in the right direction. That shows the support from business organisations.

Owen Smith *rose—*

Matthew Hancock: Let me make some progress; I have only a couple of minutes left.

[Matthew Hancock]

The final argument is about productivity. Greater tax competitiveness not only helps productivity in the private sector, as consolidation can also help productivity in the public sector. We read only this morning that the police have said that they can take 12% out of their budget without affecting front-line services. I wonder what that 12% was spent on under the previous Administration.

Alec Shelbrooke (Elmet and Rothwell) (Con): Paperwork.

Matthew Hancock: My hon. Friend is probably right.

Several hon. Members *rose—*

Matthew Hancock: I am going to conclude.

So this is my argument: fiscal responsibility is not contradictory to growth; it is absolutely central to sustainable growth in our country. The Budget is unavoidable, but it also lays the platform for confidence and for support of the businesses that are going to grow us out of this hole. Everybody knows that if one is in debt, the sooner it is dealt with, the better; and the longer it is left, the worse it gets. Having looked at the economic evidence surrounding this Budget, I am absolutely delighted to say that I commend this Bill to the House.

5.38 pm

Mary Creagh (Wakefield) (Lab): I want to look at three areas of this Finance Bill. The first is the economic impact of the fiscal conservatism contained therein, and particularly how, in tandem with the fiscal consolidation taking place across Europe, it threatens a double-dip recession not just here but Europe-wide. Secondly, I want to look at the social and labour market consequences of the double whammy of the VAT bombshell and the deep spending cuts. Thirdly, I shall focus on the political implications of the Liberal Democrats making the wrong choices by voting in favour of this Bill this evening.

On the economic impact of the Bill, we see the pursuit of the Goldilocks economy—one in which neither too much nor too little is spent, but the spending is somehow just right. We all know that fairy tales are fine for little children, but it is a dangerous metaphor because it over-simplifies a complex economy still in a fragile state of recovery. How do we know that it is dangerous? Well, because the Office for Budget Responsibility tells us that growth will be lower and unemployment higher in future years, with 1.3 million jobs set to be lost over the next four years as a result of the measures in this Finance Bill.

I tabled a parliamentary question a week or so ago about the contact between the Office for Budget Responsibility and the Treasury on 29 and 30 June and 1 July—and in the aftermath of those sticky Prime Minister's questions debates. So far, I have had no reply from the Economic Secretary. I would have thought that it was a fairly simple thing to look into officials' diaries, ministerial diaries and phone records and to give the House a reply on the important question of whether pressure was put on the Office for Budget Responsibility.

The pre-eminent question raised by this Finance Bill, but left unanswered by those on the Treasury Bench, is: how does taking money out of the economy increase confidence, boost growth and secure the recovery? The answer is, quite simply, that it does not.

There seems to be an insistence that Government spending is somehow crowding out private sector investment. That is ludicrous. The United Kingdom's output gap—the gap between what it produces and what it has the potential to produce—is somewhere between 4% and 6%, depending on whose estimate we accept. The Chancellor expects the private sector to take over demand from a shrinking public sector, but is silent on where that private demand will come from. It is clear from what has been said in the debate that there are no real answers to that question.

The Government say that 2. 5 million jobs will be created—

Mr Redwood: Will the hon. Lady give way?

Mary Creagh: I will not, because we have only one hour left, and eight Members wish to speak. The Front-Bench spokesmen took their time, and I intend to take my time.

The labour economist David Blanchflower, a former member of the Monetary Policy Committee, has said that the Government's prediction on jobs is wildly over-optimistic, given that the Labour Government created only 1.6 million jobs between 2000 and 2008, when the economy was, by consensus, booming.

The VAT increase for which the House voted will raise £12.1 billion in 2011-12, but will reduce the amount of goods and services that people can buy. It will depress demand and delay the recovery. It will increase prices permanently by 1%, thereby permanently reducing the value of future earnings and—one of the hot topics in the Bill—future pensions. It will also disadvantage the poorest, who spend the biggest proportion of their income.

Let me say something about the social impact of the Bill. It was difficult to hear the details of that as the Minister raced through his speech. We have heard from the Prime Minister that children need warmth, not wealth, and they will certainly miss out on the wealth part as a result of this Bill. Poor families in Wakefield will lose up to £1,200 as a result of changes in working families tax credit. From April 2011 the Sure Start maternity grant will be available only for the first child in a family. That means a £500 cut for low-income pregnant mothers who already have a child.

Charlie Elphicke (Dover) (Con): Will the hon. Lady give way?

Mary Creagh: No. I am going to take my time. As I have said, I am not going to take interventions.

Nappies, prams, babygros, bottles, dummies and high chairs will all be more expensive for families in our constituencies as a result of the VAT increase, but the grants to help the poorest women in our society to afford them will be cut. When I asked the Secretary of State for Work and Pensions how he expected families to cope, he said that he wanted them to recycle prams, but if someone has a child one year younger than another child, where is the second baby supposed to sleep? In the same cot? The parent of a second child will still need to buy a new car seat and a double buggy. It will be more difficult for low-income families to buy all those items. We are losing the baby element of child tax credit, and we are losing Labour's proposed toddler tax credit, which would have meant another £208—

Matthew Hancock: Will the hon. Lady give way to an intervention on the increase in tax credit?

Mary Creagh: I know that there is to be an increase of £150. I will come to that if the hon. Gentleman will show a little patience and allow me to make progress with my speech. He spoke for 13 minutes, and I hope to take less time than that.

As I was saying, the toddler tax credit would have provided an extra £208 a year for families with children aged one or two. Moreover, child benefit has been frozen for three years, which means a real-terms cut.

Kwasi Kwarteng: Will the hon. Lady give way?

Mary Creagh: I have already said that I am not going to give way to Opposition Members. It is true that child tax credit will rise by £150 above inflation for one year—

Matthew Hancock *rose—*

Mary Creagh: I am dealing with the hon. Gentleman's point. Perhaps he would acknowledge that. Families on low incomes, however, will see their costs rise as a result of the VAT increase—

Matthew Hancock *rose—*

Mary Creagh: I know what the hon. Gentleman wants to ask, and I am happy to answer his question without his having to spend a minute asking it.

Matthew Hancock: On a point of order, Mr Deputy Speaker. I am new to the House. Could you possibly advise me whether it is appropriate for a Member to make an entire speech having stated in advance that he or she will take no interventions whatever?

Mr Deputy Speaker (Mr Nigel Evans): It is very much up to hon. Members whether to take any interventions or a number of interventions, but what I have heard from the hon. Lady tells me that she is going to take no interventions during her speech.

Jacob Rees-Mogg: On a point of order, Mr Deputy Speaker. The hon. Lady said that she was not taking any interventions because the debate had to finish in an hour. The Order Paper, however, says the debate may continue until any hour. Can you explain to a new Member which is correct, Mr Deputy Speaker?

Mr Deputy Speaker: Funnily enough, I was waiting for that point of order to be made earlier. The Order Paper is always correct, and this debate could indeed go on until any time.

Mary Creagh: In that case, Mr Deputy Speaker, I am happy to take all interventions, even though I have spent three minutes clarifying those points.

Andrea Leadsom: Will the hon. Lady give way?

Mary Creagh: I will happily give way.

Andrea Leadsom: That is the sisterhood.

I want to make a point about pushchairs, prams, car seats and cots. To my certain knowledge, from having been involved for a long time with a charity that works closely with families and their babies, there is a surplus of those items in charity shops. People refuse to purchase or even to accept them, and I was interested to learn that the hon. Lady believes that part of the definition of poverty is if someone cannot have all those items new.

Mary Creagh: I am not saying people should buy everything new, but I am certainly not telling families in my constituency that when they have a second baby they should trawl around to the local hospice shop or British Heart Foundation shop in a desperate quest to get a car seat so as to take their child home from hospital without breaking the law. The hon. Lady says that those goods are in abundant supply. One of the important things about car seats is that if we buy them second hand, we have absolutely no idea whether they have been involved in a car accident. I am certain that no Member of this House has bought a car seat for their child—for their new baby—from a charity shop. What we ask for ourselves we should also stand up for in this House, and ask for our constituents.

Chris Leslie: When listening to interventions from the Government Benches, it comes as a shocking revelation to hear the notion expressed that those who are in financial difficulties can go round the charity shops looking for cots and prams. I do not quite see how they can do that for sanitary products or teething equipment, for instance: perhaps the hon. Member for South Northamptonshire (Andrea Leadsom) would suggest buying recycled baby bottles and so forth, too. All such products attract the higher rate of VAT at 17.5%, which will go up to 20% as a result of the Bill. Does not all this show a degree of condescension in the Conservative party's attitude to those in the greatest need?

Mary Creagh: I think it does, and I also think it is indicative of the idea that the poor are no better than they should be, and that they should aspire to nothing better than charity shop purchases.

Andrea Leadsom: Will the hon. Lady give way?

Mary Creagh: No, I want to finish my point. There is an important point to make about cots. No matter where people get their cot from, they should never put a baby to sleep on another child's mattress, because they do not know what has happened to that mattress—whether it has been vomited or urinated on, for instance.

We talk about putting babies "back to sleep", and about cutting the rate of sudden infant death—which predominantly happens in lower income households. There are issues here to do with families living in overcrowded housing and babies sharing beds with their parents, yet the hon. Lady is saying that new mums and expectant mums are supposed to go round hauling cots home in their eighth and ninth month of pregnancy and then putting them up. Frankly, she ought to think a little more about what she wishes for her constituents.

Alun Cairns: On a point of order, Mr Deputy Speaker. I seek your guidance on what cots have to do with the Finance Bill, and on the relevance of the points that have just been made.

Mr Deputy Speaker: The relevance is the subject of VAT, which is addressed in the Bill, but I would reiterate the guidance given before I took the Chair, which is that people must, please, keep to the contents of the Bill and show some restraint, as many Members wish to speak.

Mary Creagh: We have had a debate on the higher-rated goods, which will be permanently more expensive following the votes that we will have this evening, but I also want to talk about the cuts to Labour's child trust fund.

Andrew George: Will the hon. Lady give way on VAT?

Mary Creagh: Yes, I give way.

Andrew George: I agree with many of the points that the hon. Lady has made on child care issues, but I wish to put something on the record for her. I understand that on children's car seats, which have been mentioned, the VAT rate is limited to 5%.

Mary Creagh: I thank the hon. Gentleman for that clarification.

I now want to discuss the child trust fund, which is also being cut. When I visited Greenhill school in my constituency to talk about financial education, I asked 10 and 11-year-olds how much money they had saved up in their bank accounts and the answers given by those little 10-year-olds ranged from £50 to £80; that was their life savings. But those children knew that their little brothers and sisters had got £250, and in some cases £500, from the Government through the child trust fund.

George Freeman (Mid Norfolk) (Con): Will the hon. Lady give way?

Mary Creagh: I will make my point first. I bet that there is not a single Member sitting on those green Government Benches whose children's life savings amount to £50. I shall happily give way to any hon. Member for whom that is the case.

Andrea Leadsom: Will the hon. Lady explain whether those children also knew that they had about £23,000 of debt each?

Mary Creagh: That is one of the figures put about by the Conservatives during the election as a way of frightening people about the level of debt. Labour Front Benchers have comprehensively set out that the best way to reduce the debt is by growth, and not by frightening people. Most people who have a mortgage understand that they have tens of thousands of pounds of debt—but the point is that when someone is paying off their mortgage they do not stop feeding their children, and they do not stop running their car. In effect, the Government are paying off the mortgage much more quickly than they need, and the consequences of the political choices that they are making will have huge impacts on every constituency.

For Members on the Government Benches, £500—the amount of the Sure Start maternity grant—may be what they spend on a good meal at the Fat Duck in Bray. We debated that before in the House in relation to one newspaper columnist, Stephen Pollard, when the matter was raised by a Conservative Member—I believe it was the hon. Member for Kettering (Mr Hollobone). For children on the Eastmoor estate in Wakefield, however, that £500 is a life-changing sum, and will change some of the life choices that they make.

Charlie Elphicke: I just point out to the hon. Lady that child poverty has risen by 300,000 since 2004, whereas under this Budget it will be frozen for two years. Does she not welcome that very positive fact?

Mary Creagh: Interestingly, when the Red Book refers to the effects on child poverty it talks about the next couple of years but does not mention 2013 and 2014. Thanks to the work being done by my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper), the shadow Secretary of State for Work and Pensions, we are finding that this Budget's impact on women—in particular on poor women, low-paid women and public sector worker women, and therefore on their children—is likely to hit disproportionately hard. I leave the hon. Gentleman with that thought.

What is absent from the Budget and the Finance Bill is any mention of the poor. The changes to the disability living allowance gateway are to save £1 billion by 2014, but we need clarity about which groups of disabled people are going to be affected. The housing benefit move to the 30th percentile of average housing will have an impact on families across the country. Stringent changes are being made to the housing benefit rules to say that anyone who has been on jobseeker's allowance for more than a year will automatically lose 10% of their housing benefit.

If that is done to people, there are three possible outcomes. The first is that the people involved find jobs—and good luck to them. I am sure that that is the stated aim of the Government's policy. The second possible outcome is that those people cannot find jobs because a further 1.3 million people are on the dole as the public sector and private sector job losses kick in, so they are forced to borrow the money. However, we are talking about people with a low income or no income, so they will, in effect, be forced into the arms of loan sharks and will fall into debt. The third possible outcome is that these people will spend £10 a week less feeding their children, so their children will be pushed back into poverty. The arguments being made about child poverty will not wash with Labour Members, because both the second and the third possible outcomes will tip those families back into poverty.

George Freeman: The hon. Lady mentioned the child trust fund, and I think that all hon. Members would agree that establishing a culture of saving is a commendable thing. In principle, does she think it is better for children to learn to work and to save, or to learn that the way to acquire money is to be given it by the Government?

Mary Creagh: The beauty of the child trust fund is that both those things happened; this involved people who would never have thought of opening a trust fund. I count myself among them, because I had no idea what a trust fund was until I was "given it by the Government" when my son was born, but now that I understand what it is and I understand the secrets of how people save for their children in a tax-efficient way, it has enabled me to think carefully about how I plan for my children's future. It enables families to do both those things.

Most families are using the child trust funds to put a little bit extra by. The parents who scrimp and save to put into the child trust fund will not let their children waste the money. The straw man that has been held up is that they will blow it all on their 18th birthday party, on buying fast cars and all the other things that 18-year-olds

do—*[Interruption.]* That is certainly what has been stated by some Government Members as a reason for cutting the child trust fund; they have said, "You can't give it to 18-year-olds because they won't know what to do with it." When their parents have paid into the fund they will make absolutely sure that that money, which for them is a life-changing sum, will be used wisely by their children.

Charlie Elphicke *rose—*

Mary Creagh: I have taken one intervention from the hon. Gentleman, and I am aware that other hon. Members wish to speak.

The VAT rise in the Finance Bill will cost the NHS an extra £250 million each year, and it will be very bad for public health, too. Recent research by David Stuckler and his colleagues published in the *British Medical Journal* shows that social spending—housing benefit, disability living allowance and other such benefits—has more impact on tackling health inequalities than spending on the NHS. They studied 20 European countries over two decades, finding that mortality rates increased when social spending was cut. So the public health impact of cutting the housing, disability and incapacity benefit budgets will be felt by the poorest in our society in the reduction in their life expectancy.

In concluding, I wish to discuss what has happened in the past 10 weeks and the political impact that voting for this Budget will have on the Liberal Democrats. The past 10 weeks have been like a very dark episode of Doctor Who, with the Conservatives as the evil Cybermen. The Cybermen were originally a wholly organic species of humanoids that implanted more and more artificial parts into their bodies as a means of self-preservation. This led to the race becoming coldly logical and calculating, with every emotion all but deleted from their minds. They use human pawns and seek to further their number by conversion. The Liberal Democrats are the Conservatives' hapless victims. The Cybermen have to assimilate their victims in order to drain their energy and live, but we all know that when the Cybermen have assimilated, they have only one further aim: they say to their victims, "You will be deleted."

These are not progressive cuts. There is nothing progressive about slashing the extension of free school meals to the children of the working poor and thrusting 50,000 children back into poverty. There is nothing progressive about freezing the pay of dinner ladies, hospital cleaners and nursery workers. Why should low-paid women pay for the fiscal hysteria of markets and central banks, which presided over such colossal market failure? Why is corporation tax being cut by 1% a year for the banks when everyone in Wakefield is seeing their VAT increasing by 2.5%? Why is the annual exempt amount for capital gains tax rising each year with the retail prices index when housing benefit and occupational pensions in Wakefield will increase only by the consumer prices index?

Those are political choices. They are the wrong choices for my constituents and for those of other hon. Members. Economically, this is a deflationary Budget. It is wrong for Britain, wrong for families, wrong for pensioners and wrong for the poor. Politically, supporting this Budget will be the wrong thing for the Liberal Democrats. I urge all Liberal Democrat Members to think before they vote tonight, and before they throw away 120 years of Liberal tradition as the Tories' new poodles. You are being assimilated. You will be deleted.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. Before I call the next speaker, in response to the point of order from Mr Rees-Mogg I stated that the Order Paper, as ever, was correct and that the debate could carry on for some time. However, hon. Members will also note if they look at the Order Paper that there is other business this evening. Another debate is to follow this one and it can last three hours, so I ask for some self-restraint for the duration of this debate.

6 pm

Andrew George (St Ives) (LD): I shall bear your advice in mind, Mr Deputy Speaker, because I know that many right hon. and hon. Members wish to take part in that debate, which is fundamentally important to the vast majority of Members of Parliament. I hope that I have demonstrated such self-restraint in my contributions to the debates on the Finance Bill and will do so again this evening.

It is a pleasure, of course, to follow the hon. Member for Wakefield (Mary Creagh). Her concluding remarks, in which she used fictional characters to make her point, were a piece of fiction that was very entertaining, but that is probably as far as it will go.

The Finance Bill—after all, we are debating the Finance Bill and, perhaps sadly, not the Budget as a whole—has, as the right hon. Member for Birmingham, Hodge Hill (Mr Byrne) made clear, nine clauses. It is rather limited. There will be a further Finance Bill in the autumn and, of course, there were other measures in the Budget—the hon. Lady referred to some of them—including the public spending restrictions of which we will learn more from 20 October onwards. Those issues will no doubt be debated in the future in the House. The debate this evening is narrowly focused and has been defined by Treasury Ministers as they have brought forward a limited number of measures from the Budget.

I wish simply to make a couple of points. Primarily, I want to focus on the issues that I have raised through probing amendments to the Bill—in particular, those to do with VAT, its impact and what alternatives there might have been to the 2.5% rise proposed in clause 3. Before I do so, it is worth while to make it clear for the benefit of the hon. Lady and other Opposition Members that I shall support the Finance Bill on Third Reading, primarily because the Budget as a whole contained a number of measures for which the Liberal Democrats have been campaigning for many years, including the increase in personal allowances, the triple lock on pensions and the introduction of a banking levy. That levy is not at the level at which I should have liked it to have been, as I have made clear in earlier debates, but none the less it is a move in the right direction. I shall be encouraging Ministers to lever it up still further. Other such measures include improvements in child tax credit, protections for lower paid public sector workers and closing tax loopholes such as that on capital gains tax, which was brought in by a Labour Government. Although I want to see that increase still further, with protections—particularly for certain groups that will still use capital

[Andrew George]

gains tax as a means of avoiding paying their rightful tax—it is still a move in the right direction. In view of all those measures, and in spite of my misgivings about other aspects of the Bill, I shall support the Government on Third Reading.

As I have made clear, I had a number of misgivings. The Government are well aware that I refused to support them on the increase in VAT, as the voting record clearly shows. In the conclusion to the Budget, the Chancellor made it clear that the intention was to ensure that

"the burden is fairly shared"

and that the aim was to have

"The richest paying the most and the vulnerable protected".—[*Official Report*, 22 June 2010; Vol. 512, c. 180.]

I shall not rehearse all the arguments contained in the Red Book and the Institute for Fiscal Studies' analysis of the impact of the VAT rise, but, having considered the impact on public services, on charities, on rural dwellers dependent on an old banger to get around because of the inadequacy of public transport and on poor families, I believe that the increase in VAT is regressive. That is clearly not a view held by Ministers, but it is still relevant.

Let me refer to three elements of the impact of the VAT increase on charities. First, a briefing has been supplied to me by Save the Children that states that

"we will pay more in VAT but will not be able to charge VAT on our income as other companies do. This is a real concern."

Save the Children's analysis of the figures presented in the Red Book points out that the deciles that are identified in the graphs include the most wealthy decile, which commences at £49,700 per annum. A lot of the very wealthy receive an income of significantly more than that. Save the Children states that

"the graph measures the impact at 2012/13 which doesn't include the impact of the tax & benefits changes in the Emergency Budget over the whole parliament and probably fails to pick up the changes in the measurement of the uprating (RPI to CPI). The essential point is that although the highest earning households pay more, they still pay proportionately less of their household income on the tax increases than poorer households."

In previous debates, I have said that the impact on those households with children is clearly regressive according to Save the Children.

Mencap has also provided me with a briefing on the impact that the measure is likely to have on its services for the learning disabled. Mencap provides important services and accommodation for the learning disabled and it estimates that for the 15 months from January 2011 to April 2012—that is, until the end of the next financial year—the cost to it will be £450,000, nearly half a million pounds. That figure includes non-recoverable VAT incurred by its housing subsidiary, Golden Lane Housing, which plays a significant role in Cornwall, where it provides an important service. I received the advice from one of Mencap's trustees who lives in my constituency, Colin Rogers. His concern as a trustee is that

"as much of Mencap's income is earned and not donated and since these earnings come from service provision which is also likely to be cut, we are potentially facing a dire financial position which can only be managed by reducing the many services which we subsidise or provide free-of-charge to people with learning disability and their carers. As a rough guide, the 12 month figure of £370,000 would each year pay for around 20 full-time community support workers".

I hope that the Government will take the impact on charities on board.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Is not the tragedy of the increase in VAT and its effect on charities the fact that we know that it will cost £150 million across the sector, but the human cost of the recession is now feeding into the system and we have not yet reached its peak? The pressure on services is increasing all the time at a time when costs are also increasing.

Andrew George: In the context of the extremely difficult circumstances in the economy, the VAT rise will certainly make things doubly difficult for charities, because where they depend on donation income to make up the shortfall that has been created as a result of the VAT rise, that will be significantly more difficult. A number of charities are already reporting that charitable donations have decreased in recent times and this will make the environment significantly more difficult for them to survive in.

Let me give as a local example Penwith Housing Association. Its chief executive, Andy Moore, has provided me with a briefing regarding the impact that the rise would have on that association and its management of its stock

"due to VAT being chargeable to PHA for all our repair and maintenance expenditure and many other service costs."

He said that as it does not charge VAT on its rented homes, it has little opportunity to recover the tax. Penwith Housing Association anticipates that the cost to it will be about £182,000 a year. That money will probably have to be found through increasing tenants' rents, but its tenants are already on low earnings. Given that tenants' housing benefit might be cut as well, the VAT rise will create significant pressure.

In an intervention on the Exchequer Secretary in his opening remarks, I emphasised a point that I and the hon. Member for Nottingham East (Chris Leslie), who is not in his place, had brought forward in amendments that we had proposed—the possibility of introducing a sunset clause in relation to the VAT increase. That would have chimed with the Government's claimed tax policy as set out in chapter 3 of the tax policy document that was published alongside the Budget. There was a strong sense that the Government had an opportunity to demonstrate that, as the Budget was an emergency Budget and the VAT rise was therefore an emergency measure, the VAT rise could be time-limited and that there might at least be an opportunity for a sunset clause. Ministers could have accepted the measure then or it could have been introduced on a more acceptable date. There could at least have been a promise of a formal evaluation of the impact of the VAT rise and an opportunity for Parliament properly to scrutinise both the impact of the rise and whether, in the context of the emergency Budget, the fiscal situation had improved by the time the review and evaluation took place. Parliament could then come to a conclusion as to whether it was satisfied with the measure.

I am very disappointed that the Exchequer Secretary has not accepted the proposals either for a sunset clause or for an evaluation of the impact of the VAT rise. I hope that Treasury Ministers will review this issue in due course.

Ms Angela Eagle: I am listening to the hon. Gentleman's arguments very carefully. Will he tell us whether he is so disappointed that he will now finally consider not going into the Lobbies to support the Budget on Third Reading?

Andrew George: Perhaps the hon. Lady was not listening to my opening remarks when I said that on balance, because there are many measures that I approve of, even though I am disappointed by this particular measure, I will be supporting the Government. This is, of course, a Finance Bill and not the Budget as a whole.

I was reassured, but I seek further reassurance from Treasury Ministers, regarding the promise that the Government will not revisit the current list of zero-rated and 5%-limited VATable products and services and that they certainly have no intention of reducing those lists or in any way cutting the number of VAT-exempt, zero-rated or VAT-limited products and services such as those that we have been debating.

Toby Perkins: Will the hon. Gentleman give way?

Andrew George: I am just bringing my remarks to a close and I know that a lot of people wish to engage in the Backbench Business Committee debate later, so I hope that the hon. Gentleman will bear with me.

It has been a pleasure to take part in the debates throughout the proceedings of the Finance Bill. I put on record my disappointment regarding the VAT measure in particular and I hope that Treasury Ministers will reflect on the debate and come forward with an evaluation in the months and years ahead.

6.15 pm

Mr Chuka Umunna (Streatham) (Lab): The measures in the Bill and the emergency Budget in general have been called many things. The Chancellor has described them as "tough but fair", the Prime Minister has described them as "open" and "responsible" and the Exchequer Secretary, who is no longer in his place, has referred to the comments of the Chief Secretary on the Bill's Second Reading. The four characteristics that the Chief Secretary chose to attribute to the Bill and the emergency Budget were "fair", "business-friendly", "responsible" and "unavoidable". I shall address each of those in turn and relatively quickly as I understand that others wish to speak.

First, however, I want to consider the premise on which the Bill is being marketed to us. According to the coalition, the Bill addresses the need to reduce the deficit that was caused by profligacy of the previous Government. In Committee, the right hon. Member for Wokingham (Mr Redwood) said that "we are where we are because of the utter mess bequeathed to us by Labour in the last Government". It seems that reference to this supposed mess has become mandatory in all interventions by Cabinet Ministers and Members on the Government side for the duration of the Bill's passage through the House.

In the coalition's view, the credit crunch is but a minor detail when studying the public sector debt: the liquidity crisis that took hold of financial markets from August 2007 is just a blip; central banks having to step in to provide extra liquidity from there on is a minor detail; and the collapse of Lehman Brothers in September 2008 is insignificant. In adopting that stance, they utterly fail, as my right hon. Friend the Member for Birmingham, Hodge Hill (Mr Byrne) has pointed out, to acknowledge the huge role that the international banking crisis played in relation to the state of the public finances and our economy at large.

Jacob Rees-Mogg: Will the hon. Gentleman give way?

Mr Umunna: I wish to make a bit of progress, but I might give way in a bit.

I wish to acknowledge that the Conservative side of the happy couple that is our coalition is at least consistent in its approach. The Conservatives fail to acknowledge the gravity of the financial crisis and its effect on our economy now and they failed to acknowledge the gravity of the crisis back in the autumn of 2008 when the Labour Government and others around the world took decisive action to save the financial services sector from itself and to protect the deposits of our constituents. The current Prime Minister and his Chancellor were then advocating the complete opposite—a do-nothing approach.

Let us be clear. Whatever those on the Government Benches say, no serious economist currently claims that the deficit can be disassociated from the global credit crunch I have just described. The credit crunch led the last Government to spend billions to prop up the financial services sector and to support our economy in the face of a global economic downturn that caused tax receipts to plummet and benefit payments to increase.

Gavin Williamson (South Staffordshire) (Con): Will the hon. Gentleman give way?

Mr Umunna: No I will not; I will make some progress first, and I will give way in a bit.

What we are witnessing now is a gross and distorted rewriting of history and repainting of the picture to justify the imposition of a Finance Bill and Budget that are less about economics and all about politics.

On 23 June, in an insightful piece in the Conservative house journal, *The Spectator*, its political editor described the Chancellor's Budget thus:

"The mission, as Mr Osborne sees it, is to shrink the public sector and grow the private sector—the classic goal of the modern British centre-right."

That is what the measures in the Bill and the emergency Budget are all about.

Let us address the Chief Secretary to the Treasury's claims that the Bill is fair. He said:

"This is a Budget that protects the most vulnerable, especially children in poverty and pensioners, while ensuring that those with the broadest shoulders take the greatest share of the burden."—[*Official Report*, 6 July 2010; Vol. 513, c. 203.]

Just a few weeks ago, a Liberal Democrat leaflet was pushed through thousands of letterboxes in my constituency under the headline, "Clegg delivers on promises", proclaiming that the Government are reducing the deficit in as fair a way as possible. It made a series of claims in relation to the Bill and the emergency Budget. First, it claimed that there will be "more money for schools". We have seen now how accurate that claim was: consider the Building Schools for the Future debacle that we have witnessed over the past few weeks.

Secondly, the leaflet claimed that

"tax credits for needy households"

will be

"saved".

[Mr Umunna]

yet the emergency Budget, in fact, freezes child benefit, thus producing a real-terms cut for more than 14,000 in my constituency who receive the payment. Thirdly, it claimed that the emergency Budget included

"a tax cut for low and middle income families by raising tax allowances".

That neglects to mention that the increased allowances are completely outweighed by the panoply of regressive measures in the Budget—most notably, the unfair VAT rise that will be introduced under clause 3.

During the general election campaign, my Liberal Democrat counterpart and I spoke at an international Save the Children event in my constituency and we both talked of the need to reduce child poverty. Save the Children is running an excellent campaign in opposition to the VAT hike—a hike that the Liberal Democrats now sanction. I note that there is but one Liberal Democrat Member, I think, in the Chamber at present.

Andrew George: Three.

Mr Umunna: Okay; three.

The charity said:

"A 20% VAT rate means that the poorest parents will see their VAT bill rise to at least £1,600 a year—affecting already overstretched budgets—and driving some into the arms of loan sharks",

as my hon. Friend the Member for Wakefield (Mary Creagh) has just mentioned.

The fourth and final claim in the Liberal Democrat leaflet is that they stopped

"Tory plans for a huge Inheritance Tax give-away for the wealthy."

Even if we accept that claim—I do not—the omission of that giveaway from the Bill pales in comparison with the appallingly regressive overall impact of the Budget, which the Institute for Fiscal Studies and others have looked into. It has calculated that the total effect of the tax rises and spending cuts will cost the average family in the top income decile £1,135 a year. It will cost the average family in the bottom income decile £1,344—£209 more in real terms. The poorest will be 20.5% worse off, and the richest will be 1.6% worse off. So when it comes to social justice, the Government have absolutely nothing to boast about.

The suggestion made in the leaflet that those who are on low incomes should rejoice at the fairness of a Budget that places a larger real-terms burden on the poorest than the richest is an utter disgrace. What is even more disgraceful is the fact that the measures in the Bill and the emergency Budget were a choice. Whatever rewriting of history the coalition indulges in, it cannot distract us from a simple fact: the coalition Government have actively chosen to do this to my community.

Gavin Williamson: Does the hon. Gentleman not feel that the last Labour Government had any responsibility for the economic situation that we find ourselves in and that the uncontrolled borrowing had an impact and led to the decisions that are encompassed by the Bill?

Mr Umunna: I will turn to those exact points in the rest of my speech if the hon. Gentleman will wait.

Let me address the claim that the Bill will, as the Chief Secretary said, help

"businesses that we rely on to rebuild our broken economy".—[*Official Report*, 28 June 2010; Vol. 512, c. 674.]

The signs are that those businesses, along with leading economic experts, do not share his optimism. A recent survey of the service sector by the Chartered Institute of Purchasing and Supply showed that confidence in the sector has been dented by the austerity measures announced in the Budget, of which, of course, the Bill is a part. The survey registered a fall in confidence between May and June this year that was the most significant drop since records began 14 years ago. Since the First Reading of the Bill, the International Monetary Fund has updated its 2011 growth forecasts, downgrading that of the UK by 0.4% on its April figures—the largest drop in the forecast of any major economy over that period. The BDO business optimism index, which measures business confidence, saw its sharpest fall since 1995 between May and June this year, and who can blame those involved?

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): I should like to echo my hon. Friend's words, especially given that the Government will reduce annual investment allowances by £75,000 under the Bill, which determines that a monetarist miracle will be export-led. Given that on emergency Budget day, the Engineering Employers Federation, which represents manufacturers, said:

"Reducing the corporation tax rate over time...might be a positive signal for large companies, but not for their suppliers",

how will that meet export-led targets that are predicted, yet not witnessed since 1945, especially when the majority of nations' economies are contracting?

Mr Umunna: Of course, I agree with my hon. Friend. In addition, behind closed doors, some people in the Treasury share the pessimism about the state of our economy, with a leaked Treasury document showing an expected unemployment increase of 1.3 million over the next five years owing to the coalition Government's economic policies. As well as the colossal human cost of those job losses, that will exacerbate the deficit by significantly increasing unemployment benefit payments, as I mentioned before, and cutting income tax and national insurance receipts significantly, but let me go on to the next point, as I wish to make some progress.

According to the Chief Secretary, the Bill will help to reduce the deficit and take action to eliminate the structural deficit, which is, of course, an obsession of the Government. We have already seen that their determination to do that could lead to the biggest cuts in Government spending that we have seen for many decades, but let us linger a little on the claim that the Bill is "responsible". I have already explained how the coalition has sought to conflate public finances before the financial crash with the measures taken to mitigate the crash's impact on hard-working ordinary people, but it is crucial that we establish what is "responsible" and what is not. The facts tell a very different story from that told by the coalition Government.

When Labour came to power, as the shadow Chief Secretary has said, public sector net debt was 42.5% of GDP. On the eve of the financial crisis, it was 36.5%, and interest payments had fallen from 3% to 1.6% of national income. A recent report by the IFS found that,

"the UK public finances were in better shape when the financial crisis began than they were when Labour came to power."

By contrast, Germany's indebtedness amounted to 65% of national income in 2007. In France, the figure was 63.8%; in Italy, 103.5%; and Japan ran consistent deficits,

with the result that it owed 167.6% of national income by 2007. In short, the UK Government's borrowing at that time was not of the order suggested by the Conservative party and certainly did not by any stretch of the imagination cause the economic crisis that followed.

That crisis, of course, caused the world economy to contract for the first time since the second world war. As I said, that called for decisive fiscal expansion—for billions to be injected into failing banks and into a flagging economy. How lucky we were that the then Government intervened. I for one refuse to apologise to Government Members for the bold action that the Labour party took to keep people in work, to ensure that they could still take money out of the ATM cash machines in the wall and to prevent the recession from mushrooming into a catastrophic depression.

Let it be said loud and clear that responsibility was what the previous Government did, but irresponsibility is pinning the blame for the size of the public sector debt on the previous Government and using that as a reason to hack off chunks of the public sector through spending cuts. Will Hutton, whom the Government have just appointed to head up their commission on high pay in the public sector, hit the nail on the head when he wrote in October that it was not the Labour Government

"that got us into this mess...What got us into this mess above all was the 30-year rise of Big Finance".

However, the same people who insist that the previous Government got us into this mess propose in the Bill a corporation tax cut that will gift millions to big finance—that is what I call irresponsible.

Let me finish by examining the claim around which much of the Budget debate has revolved: that this was an "unavoidable" Budget, thus making the Finance Bill unavoidable, too. The two parties in government have made a set of choices that, I dare to venture, predate the economic crisis by a number of years. The game plan on which the Budget was based was disclosed long ago in the 2005 Conservative manifesto, the author of which happens to be the new occupant of No. 10 Downing street. The Conservatives pledged in their manifesto to slash 250,000 public sector jobs and to abolish 168 public bodies. Back then, Howard Flight, the party's deputy chairman, was secretly recorded saying that the cuts publicly advocated by his party were a fraction of those planned. He said that the actual plans had been recalibrated into something that would be "politically acceptable" and that his party

"had to win an election first",

but that afterwards

"you can actually get on with what needs to be done."

We therefore cannot say that we were not warned, although people's surprise that the Conservatives have been joined in their venture by the Liberal Democrats is wholly understandable.

Given all the shifting political sands and hidden agendas, the game of choices necessitates an eagle eye, because what stands out from the Bill and the Government's general economic policies is not just the unfair VAT rise and the corporation tax gift to the City, as well as the disingenuous rhetoric with which they are presented, but what is absent from the Budget and the Finance Bill. Where, for example, is the plan to make the financial services sector bear its fair share of the burden? *The Wall Street Journal* said that the City should

"count itself lucky with the coalition government's emergency budget".

Of course, the Government will introduce a bank levy that is forecast to raise about £2 billion, but that is a pin-prick when one considers the vast profits made in the sector. Even the IMF has proposed that the levy should raise £6 billion a year if we are properly to curb the "reckless behaviour" of the people in the industry. That additional £4 billion a year could—

Mr Deputy Speaker (Mr Nigel Evans): Order. The hon. Gentleman's speech is going wider than the Finance Bill itself, so will he please direct his comments to the Bill?

Mr Umunna: I was actually reaching the end of my speech, Mr Deputy Speaker. The key point that I am trying to make is that there is an alternative: a deficit reduction strategy that is based on growth and fair tax rises, as opposed to the scorched earth policy being pursued by the two parties in government. The alternative is similar to the strategy that President Obama is pursuing in the US which, in vain, he is trying to persuade our Prime Minister to follow. The alternative is to go for a more sensible timetable for deficit reduction, because as Roger Bootle of Capital Economics said last week before the Treasury Committee,

"In straightforward economic terms, I am not sure it would make a great deal of difference if the adjustment were over a longer period."

The alternative is to avoid the overwhelmingly avoidable measures presented in this Bill—not least the VAT rise—that ultimately hit the poorest hardest. I assert that the Bill is four things: avoidable, unfair, damaging to business and deeply irresponsible.

6.34 pm

Chris Heaton-Harris (Daventry) (Con): I shall canter through my comments because I know that time is very short. I always try to find something for which to thank the previous speaker, so I thank the hon. Member for Streatham (Mr Umunna) for not mentioning Doctor Who. The hon. Member for Wakefield (Mary Creagh) mentioned the Cybermen at quite an uncanny moment because I was wondering which planet she was on. Her speech reflected her state of denial about the level of debt that we are in and the budget deficit that the Government have inherited. It is ridiculous that a speech in this debate omits mentioning the astronomical amount that we have to pay just to service our debt.

Bizarrely for this debate, I would like to make several points about the Finance Bill. I am interested by the Treasury's use of dynamic modelling to reach its 28% figure for capital gains tax, and would like to see what that dynamic modelling entails. If we were to use dynamic modelling for other taxes, such as income tax, I wonder what the ideal figure would be to generate the most income but hit people the least.

I had the privilege of attending a couple of lectures given by the great economist Art Laffer—he of the Laffer curve. He shows that if people are taxed at 100%, there is no receipt, because no one bothers working, that if tax is 0%, there is no revenue because none is paid, but that there are ideal points somewhere in between. I assume that the Treasury was using a similar process in its dynamic modelling, but it would be nice to see the detail.

I welcome the reforms and cut to corporation tax. We live in a global market, so we must set our corporation tax competitively. I hope that the measures will be good

[Chris Heaton-Harris]

for all businesses because we want them to reinvest in themselves, and our approach will leave more money in small businesses for reinvestment.

I am pleased with the measures that will directly help small businesses, because I know that small businesses and the private sector will drive us out of this economic mess with wealth and job creation. Many Labour Members think that growth in the public sector stimulates the economy, but it does not. It does soften the fall of a weak economy, but the fall still comes none the less.

Measures such as waiving the first £5,000 of national insurance contributions for the first 10 employees in a small business—alas not in London, the south-east and eastern regions, although I hope that the measure will be extended—will be truly beneficial to businesses in Daventry. The 1% reduction in small companies tax represents a 2% cut in real terms because the Labour party planned to raise it by 1%. The rise in the entrepreneur's relief threshold to £5 million should ensure that most small business owners are not penalised heavily when they come to sell their companies.

I grew up in a small business environment, which is a meritocratic place in which long hours and hard work sometimes pay off. Most small businesses have been looking at the public sector, with its pay, holidays and pensions, with a growing sense of disbelief and occasional anger. From talking to public sector workers, I know that most of them, especially those who directly face the public, know that the Government need to better cut their cloth. They do not like the pay freeze, but they will tolerate it because they know that it is targeted at those earning more than £21,000 a year and that most people in the private sector have had no salary increase for a long time. In fact, most understand as much as anyone else why the country is in such an economic position. They will do their bit to try to help us out of the mess that we are in.

There seems to be only one group of people in permanent denial about our position—they sit on the Labour Benches. I read yesterday that it was said of the Bourbons that they forgot nothing and learned nothing, and that could easily be said of Labour Members, given the way in which they wrought havoc on our economy and the fact that they are in such denial.

It was out of concern for Labour Members that I turned to my computer search engine to try to find them help. I typed in all the necessary symptoms and found an American website: debtdenial.com. The website asks many questions, such as

"Do you only pay the required minimum"

on your accounts to avoid interest payments? The previous Government did not even manage to do that because our debt was constantly spiralling. The website also asks:

"Do you know or have a ballpark figure about how much you owe?"

The Labour Government might have known once or twice, but not on an ongoing basis. The website asks whether people are

"Afraid to apply for a loan because you don't want to hear that you're 'overextended'"—

that would definitely apply to Labour Members. It says:

"If any of these apply to you, you may be in Debt Denial."

The website goes on to list ways in which individuals can help themselves, and I shall end with a salient piece of advice:

"if you continue living in Debt Denial, you'll never make any progress towards paying off your debts. And paying off your debts improves your credit, giving you the freedom to do more things...you've"

been wanting to do. I am pleased that the coalition is moving forward with many sensible measures in the Finance Bill, and I also commend debtdenial.com to Labour Members.

6.39 pm

Toby Perkins (Chesterfield) (Lab): The hon. Member for Daventry (Chris Heaton-Harris) was true to his word. His speech was fairly brief, but it could have been a good deal briefer, because he completely failed to understand that the Bill is simply a return to the ideological and illogical Tory mistakes of the past. It reflects a Budget that spoke throughout of the Tory obsession with public sector cuts and the mistaken belief that public sector shrinkage automatically leads to private sector growth. In fact, the Tory belief seems to be that our economy is balanced on a see-saw—that as soon as the public sector goes down the private sector goes up, and vice versa. I speak as someone who for the past five years has run a small business, and who for seven years before that worked in the private sector for one of the fastest-growing companies in the UK.

As an internet-based sports retailer from 2004 to the general election, I relied on customers from all four corners of the country and every aspect of our diverse economy. I sold to businesses and to business people, for sure, but I sold also to schools, school teachers, universities, armed forces teams and individuals, such as doctors, council workers and police officers. The VAT rise in the Bill would have taken 2.5% straight off the bottom line of my business and would inevitably have led to higher prices; it would absolutely have had to. It means not just higher prices for pensioners, the disabled and people on benefits, those who are already likely to be struggling because of cuts to their housing benefits, but a double whammy—less money and higher prices.

So far we have heard a great deal from the Con-Dem Government about the private sector's role in the recovery, but more revealing has been what we have not heard. We have not heard how the private sector will play a role in reducing the large number of people who claim sickness-related benefits when getting back to work; how cutting manufacturing allowances to fund a corporation tax cut that will help businesses only in January 2013 at the earliest is going to help our manufacturing industries and help us to grow our way out of recession; or how the retail sector will contribute to our growth when the Government's policies will take money out of customers' pockets.

I know the impact that those measures could have, because if the Government take money out of the pockets of people, particularly the poor and public sector workers, they take it out of the private sector, too. They take it out of the pockets of the shop owner who would have sold a teacher a new television; they take it out of the pocket of the plumber who would have fitted a new bathroom for a social worker who, now, does not have the confidence to make that purchase;

and they take it out of the pocket of the double glazing firm that was about to install a new conservatory at a doctor's house. The idea that the private sector will flourish because of this Bill is ludicrous.

The economy is not out of the woods. The Bill stifles growth, it is bad for business and it is bad for those who rely on the public services. The Government got the answer wrong not only by failing to understand the impact on the private sector of the cuts in public sector spending, but on every level with their decisions on taxation and investment. Tory Members have admitted that this is an ideological Budget, rooted in Thatcher's economic catastrophes. The Budget means that huge global banks will pay less tax, while the very poorest people in our society—benefit recipients and pensioners—will be worse off. The Exchequer Secretary to the Treasury was unable to provide me with any way in which the Bill will compensate pensioners, the unemployed or those who do not have children for the fact that, under the VAT rise, they will pay hundreds of pounds more a year.

To hear the Conservative party propose such measures is no surprise. Conservatives have always set out to protect privilege and wealth, as anyone who has ever studied history will know. It is what they have always done, and that is why the hon. Member for Bermondsey and Old Southwark (Simon Hughes) said:

"I have always been concerned that Conservatives first look after their own and have presided over widening inequalities and not a more just society."

That is what he has always said. Once I held out hope for the Liberal Democrats, but hearing them suddenly claim that VAT is a progressive tax, that we need dramatic cuts now and that we should not be too harsh on the bankers, it is as if the recent general election was so painful for them that they cannot bear to remember what they spent a month arguing.

The Tory cuts philosophy was the wrong decision at the wrong time, but even if we accepted that their cuts programme had to go faster and further than they had ever let on during the election, and even if we believed that Labour's responsible deficit reduction programme for halving the deficit in four years was not enough, we would find that the decisions in the Bill still do not make sense.

The Exchequer Secretary argued that the Government had been left without a choice, but, as my hon. Friend the Member for Streatham (Mr Umunna) revealed, there were alternatives. The capital gains tax rise was less than half that promised in the Liberal Democrat manifesto, and corporation tax was already at its lowest point for a long time and 5% less than it was in 1996-97. If there are tough decisions to be taken, and ordinary people and so many good businesses are struggling so badly, why choose to make life even more prosperous for those businesses that are already flourishing and, in some cases, contributing very little to growth?.

The previous Labour Government were securing growth to protect hard-pressed people against losing their homes, and when we realise that in this recession about 30,000 fewer people lost their homes than did so in past Tory recessions, we see just how easily the Tories would have cut people adrift. When we see that 500,000 fewer people lost their jobs than would have done so if we had followed Tory advice, we know that throughout this country there are people who can walk into work with their heads held high, knowing that when the crisis struck they had a Government who said, "Yes, we care."

The measures that the Labour Government took are working. The predictions that the current shadow Chancellor made in his last Budget were, if anything, pessimistic. The borrowing requirement is down by £8 billion and there was a Government underspend of £5 billion. That is why even right-wing analysts such as Fraser Nelson of *The Spectator* have been forced to admit that the Office for Budget Responsibility did not demonstrate that measures in the Budget were inevitable, and, as Tory Members have admitted before, that it is an ideological Bill which reflects the warped view of life held by so many Government Members who have never had to struggle for anything in their lives—many of them millionaires the day they were born. Their first reaction to a crisis made in the City is to put social workers, school teachers, special needs assistants and carers on the dole; to tell people to put on a thicker jumper and holiday in this country; to cut the value of the money in people's pockets and introduce an arbitrary tax that will hit the poorest hardest; and to do nothing—absolutely nothing—to create the jobs that might help the poor to work their way out of poverty.

6.47 pm

Charlie Elphicke (Dover) (Con): I shall keep my remarks brief and discuss clause 1 in relation to corporation tax.

There are many pockets of deprivation in Dover and Deal, and the rise in child poverty during the previous Parliament was a serious concern, as was the widening of the gap between the richest and the least well-off. The abolition of the 10p rate hurt and upset many of my constituents, so the rise in income tax personal allowance is extremely welcome, but what we need to do, as has been much discussed today, is to increase the nation's trend growth rate.

On that point, I particularly welcome the reduction in corporation tax to what will be 24p by the end of this Parliament. That is incredibly important, because business, particularly international business, is very mobile and can set up anywhere. WPP, for example, has gone off to Dublin, and that should concern every Member, because the Exchequer is going to lose about £240 million in corporation tax receipts every year.

If we are to compete with centres in the European time zone, it is important also that we consider how to build in a participation exemption, as the Netherlands and Luxembourg have, and as Ireland and Switzerland have in effective forms. We need to draw international business into the UK, because that is a critical path towards expanding the amount of jobs and money that we have.

I make one brief plea. Reducing the corporation tax rate to 24p by the end of the Parliament is welcome, but, if we are to make a step change, reducing it to 19p would, in my respectful submission, be transformational. It would draw in international business and, ironically, raise corporation tax revenues. That is the international evidence, and that is the short and simple case that I put to the Treasury team—to consider going further, harder and deeper in future.

6.49 pm

Margot James (Stourbridge) (Con): I never cease to be surprised by some of the speeches from the Labour Benches. Some could have been made had the Labour party won the last election, because much of what our

[Margot James]

Government are doing would have to have been done whichever party had got in. Labour Members' wholesale opposition to cuts and every single tax increase that has been forced on us is nothing short of astonishing. A BBC journalist to whom I was speaking over the weekend had interviewed all five contenders for the Labour leadership contest and only one had had the courage to admit that the public sector was simply too large and unaffordable. We are merely doing what has to be done.

The Labour party proposed spending cuts before the election; that is well known. It postponed the spending review until after the election, but it was planning 50% reductions in the capital budget and 20% reductions in revenue. However, it would not say where the cuts were coming from. Does it not concern Labour Members that they are so isolated? The OECD, the G20, the Governor of the Bank of England and even past Ministers from their own Government are acknowledging that this Budget is a good one in the circumstances. If they are not concerned by what those global organisations and City opinion leaders think of our Budget, will they be concerned about what the average man and woman in the street thinks of it?

The people whom I represent in Stourbridge, in the black country, have had to make cutbacks in their personal expenditure, as families and individuals, for a long time. They have had to prioritise the paying off of their own debt as individuals. The small businesses for which they work have had to pull their horns in. In the past two years, companies in my constituency have seen their order books fall by 50%. How can they manage such a reduction without resorting to the sort of cuts in their own expenditure that our Government are now courageously proposing as part of the Finance Bill?

The public know that the situation cannot go on. The shadow Chief Secretary to the Treasury was right to say that some of the problems were brought about by the banking crisis that precipitated the global recession. But the public also know that this country was the least prepared on entering that recession. From 2001, the former Prime Minister, as Chancellor, started upping the ante and increasing spending year on year without relief. During the years of growth, he made no provision for rainier days.

Stephen Williams (Bristol West) (LD): My hon. Friend may be interested to learn about what happened when we sat on the Opposition Benches on the other side of the Chamber. Our right hon. Friend the Secretary of State for Business, Innovation and Skills, as Lib Dem shadow Chancellor, warned the former Chancellor of the Exchequer about the credit bubble being built up, but he was jeered and hooted at by Labour MPs, who were on this side of the Chamber at that time.

Margot James: I thank my hon. Friend for giving me the benefit of some of the history of the House before I was a Member. Many of the opinions of the Secretary of State were indeed prescient. What my hon. Friend has added to the debate is truly shocking.

The public sector is clearly unaffordable. The restructuring has been inevitable; there has been no choice on our side as far as that is concerned. Yes, we will try to make a virtue of a necessity and seek to rebalance the public and private sectors, which this country has long needed irrespective of the conditions in which we now find ourselves.

Toby Perkins: The hon. Lady mentioned the prescience of the right hon. Member for Twickenham (Vince Cable) and has commented on the size of the debt and how we got into this position. Will she also acknowledge that right up until 2008, before she came to the House, her party was arguing not for less but for more public spending in a raft of areas?

Margot James: I am glad that the hon. Gentleman intervened because I cannot understand why that point keeps being made by Labour Members. I fought the 2005 general election and our party's policy was clear: we would share the proceeds of growth. We were not advocating spending at the same rate as the Labour party did when in government; yes, we were arguing for increases, but at a significantly lower rate than was happening under the Labour party. I should like to put that on the record.

I return to my theme that this Budget does a great public service in restoring the private sector as the driver of the growth that will get the country out of the mess that has been left to us to sort out. I want to commend a few of the key features of the Bill. The reduction in corporation tax to 20% for small and medium-sized businesses and the longer-term reduction for larger businesses are key. There is also the Work programme, which is about making work pay. We need to make sure that those who can work have the opportunity to do so—indeed, they must.

There are 50,000 more apprenticeship places and the national insurance holiday for new companies, which do not have to pay any national insurance whatever for the first 10 employees. Furthermore, the Government have abandoned the Labour party's dangerous plan to levy an additional rate of employers' national insurance and there has been a £250 million increase in the enterprise growth fund, meaning that medium-sized companies in this country have access to more credit. Those measures will restore the private sector. Painful measures that we are obliged to place on the public sector—with the full support, I believe, of the public—will be more than made up for by the recovery of the private sector, because, according to the Office for Budget Responsibility's projections, employment will rise year on year. I know that Labour Members are sceptical about that, but I believe in British industry and think that our private sector, including all the small companies in my constituency, is ready for the challenge. We have at last liberated it so that it can take up the challenge. I have every confidence that through the recovery of the private sector, the country will prosper once again.

6.57 pm

Ms Angela Eagle (Wallasey) (Lab): We have had an interesting debate on the Third Reading of the Finance Bill, although it has gone over a lot of old ground, with no surprising new positions taken on either side. The Exchequer Secretary to the Treasury claimed again that the Budget is progressive—a claim that I shall dispute soon. The hon. Member for West Suffolk (Matthew Hancock), who is not in his place, set up a straw man to knock down and will come to realise that literature reviews do not translate into effective speeches. The hon. Member for St Ives (Andrew George) paraded his

conscience around the Chamber again but told us, unsurprisingly, that he would be supporting the Budget after all, even though he admitted that it was regressive. People will note his crocodile tears. In the usual way, the speeches made by the hon. Members for Daventry (Chris Heaton-Harris) for Dover (Charlie Elphicke) and for Stourbridge (Margot James) supported their side of the House.

I commend the speech made by my hon. Friend the Member for Wakefield (Mary Creagh), who put before the House the real cost increases for women—especially those with young children—under the Finance Bill. That seemed to prompt much hilarity among Government Members, which I thought revealed more about their attitudes than about her concerns. She also mentioned the housing benefit and disability benefit changes outlined in the Red Book, and many millions of vulnerable people will be worried about those as the spending review approaches.

My hon. Friend the Member for Streatham (Mr Umunna) made an extremely good speech and put some facts about recent economic history on the record and my hon. Friend the Member for Chesterfield (Toby Perkins) pointed out the fallacy of private sector see-saws suddenly moving in to take over the spaces that the public sector has vacated. Such things are such an important part of the ideology of the Government. The hon. Member for Stourbridge at least did the decent thing by recognising that there had been a global recession, but she said that we were not prepared for it, although she knows that net Government debt before the credit crunch was the second lowest in the G7.

The Finance Bill puts into place a Budget strategy that is a huge gamble with the future prosperity of Britain. The Chancellor began by telling us that it was an emergency—that it was the "unavoidable Budget". He has tried throughout this process to persuade the country of two things: first, that Labour somehow created the deficit all on its own; and secondly, that the only solution is to cut it further and faster than our plan to halve it over the lifetime of this Parliament would have done.

Neither of those assertions is true, and here is why. Extraordinarily, Ministers and Government Members, from the Chancellor on down, have failed to let the words "credit crunch" so much as pass their lips during the entire proceedings on the Bill. The attempt to rewrite recent economic history is one that George Orwell's Big Brother would have recognised and admired. The fact is that the banking crisis, which started in the American sub-prime mortgage market, caused the biggest global contraction that we have experienced in the real economy since the Wall street crash in 1929 turned into the great depression and led directly to the outbreak of the second world war. Since they will never say it, let me reiterate that this crisis was not caused by the irresponsible public spending of Governments but by the greed and criminal recklessness of the banking and financial sector. Any analysis of current conditions that ignores that basic and obvious fact, even if only for the purpose of generating convenient political propaganda, risks a dangerous miscalculation of the appropriate remedy.

Nadhim Zahawi (Stratford-on-Avon) (Con) *rose—*

Ms Eagle: I will not give way because the hon. Gentleman has not been here for the entire debate; if he had been, I would have done.

We see in this Finance Bill that the Tory-led Government have made precisely that error with their deliberate, ideologically driven choice to go for a much more aggressive and reckless slash-and-burn strategy for public spending than the objective economic conditions, or even the bond markets themselves, required. The decision to opt for a balanced budget in four years is driven not by the objective economic conditions but by an ideologically driven political belief in a small state, a belief which is now apparently shared by the Liberal Democrats. Similarly, the decision to cut the deficit by imposing a 77% to 23% ratio of public spending cuts to tax rises is a choice driven not by the objective economic conditions but by the same belief in a small state apparently shared by the Liberal Democrats. It is a ratio of pain never before achieved in the UK, and it was not shared with the voters before the election. No mandate for this was established in the general election. Ministers have admitted that the cuts will be painful, but they have failed to acknowledge the scale of the pain that they have chosen to inflict. The apparent relish with which they choose to announce huge and ongoing cuts does them no credit whatsoever, and it will be seared into the memories of the millions of victims of their sadistic fiscal policy for years to come.

The propaganda techniques are chilling. Carefully chosen, extreme examples of excess in public expenditure are leaked by the Government to sympathetic tabloids to be highlighted in screaming headlines and make the case for more cuts. Government websites coarsen the debate still further by parading a stream of ignorant vitriol whipped up by sensationalist reporting, so it is suggested that workhouses are to be reopened, benefit claimants sterilised, and immigrants deported. If this is the nice face of the Tory party, then God help us, and shame on the Liberal Democrats for going along with it. The apocalyptic and absurd scares that they have issued about the UK economy resembling that of Greece—we heard it again today—have been not only fundamentally wrong but deeply irresponsible, and they have risked precipitating the very loss of confidence they purport to avoid.

This Finance Bill signals the biggest and most sustained public spending cuts in UK peacetime history, coupled with increases in taxes such as VAT that will directly take demand out of the economy just when recovery is fragile and still needs nurturing. That is why it is such a gamble. Labour Members are not the only ones who are deeply worried about the choices that have been made in the Bill. Following the Chancellor's "austerity Budget", the International Monetary Fund has just cut its growth forecast for the UK for both this year and the next. The OECD has criticised the decision to abolish the future jobs fund and other employment support packages as short-sighted and warned that the scale of job cuts in the public sector will slow down the recovery.

As a direct result of the June Budget and this Finance Bill, the now notoriously named Office for Budget Responsibility has had to revise upwards its estimates of job losses in the public sector. At the same time, it has revised downwards its growth forecasts and hoped that no one would notice that it excluded 550,000 people who work in state-owned enterprises from being in public sector employment, even though the Office for National Statistics classifies them as such: thus public sector job losses are likely to be even higher. The OBR's

[Ms Angela Eagle]

prediction that the anticipated "recovery" will generate 2 million extra jobs in the private sector in just five years has caused widespread incredulity, because that target has never been achieved in the modern era. It has certainly never been achieved at a time when huge public spending cuts are likely to dampen employment prospects in the private sector and austerity measures are being imposed simultaneously in almost every developed economy in the world.

Kelvin Hopkins: Exactly the same predictions were made about unemployment falling because of the 1979 Budget—in fact, it went up to 3 million.

Ms Eagle: People should learn from their economic history; I only wish that this Government would.

The OBR's heroic assumptions about export growth and business investment also strain credibility, but Sir Alan Budd will not be around for much longer to defend his forecasts, whatever happens in the real world. One thing is clear: we cannot all export ourselves out of trouble at the same time. Because world trade has been so badly impacted by the global credit crunch, the UK has experienced a 25% devaluation of its currency without any noticeable upturn in export performance. Prime ministerial trips to China accompanied by huge cuts in Government support for new industrial activity in the UK do not seem to be the right response to this challenge.

The Finance Bill contains no strategy for growth, yet growth is the best way of dealing with any deficit. In place of a growth strategy, we see a pious, dogmatic belief—often restated today—that the private sector will miraculously spring to life and fill every space vacated by the Government. This is in the teeth of massive private sector deleveraging, damaged confidence and an ongoing lack of affordable bank lending. The huge hike in VAT will damage demand at a crucial moment. This is an example of blind economic faith—it is not a serious growth strategy. The Bill contains no hint of an alternative if this blind economic faith turns out to be misplaced. There is no fallback position if the economic gamble that the Chancellor has outlined starts to go wrong. How high will unemployment have to rise before the Chancellor looks again? Why, once more, is unemployment a price worth paying?

Finally, I want to look at who is paying for the measures contained in the Finance Bill. The Chancellor has repeatedly asserted, "We're all in this together", but we have to judge him by his actions rather than fine words, and his assertion of social solidarity turns out to be a cruel joke. The Finance Bill and Budget measures are regressive, not progressive. They hit the poorest hardest. The VAT hike is the regressive centrepiece of a regressive budget. The stealth move from retail prices indexation to consumer prices indexation for all benefits and all pensions takes £6 billion in savings from the poorest and most vulnerable and gives at least £50 billion, and possibly £100 billion, to employer pension schemes, at the risk of employee representatives. The losses mount year on year, for ever into the future.

Analysis has shown that the Budget takes a massive 21.7% of income from the bottom 10% of the income distribution and a mere 3.6% from the top 10%. My right hon. Friend the shadow Secretary of State for Work and Pensions has shown that of the £8 billion net revenue raised by the measures before us, £6 billion will be raised from women and children, with only £2 billion being raised from men. Like Flashman in a tight spot, the Chancellor has chosen to put women and children first. He has put them first in the firing line, bearing the brunt of his tax rises and spending cuts.

This Finance Bill takes a huge gamble with our still fragile economic recovery. It gambles that a vicious bout of self-inflicted austerity will not tip us back into a recession or a long period of low growth, and that we will be able to export our way into growth at a time when a globally synchronised austerity signals otherwise. It is regressive, threatens social cohesion and hits the poorest hardest, and we cannot support it.

7.10 pm

The Economic Secretary to the Treasury (Justine Greening): I think we have—

Clive Efford (Eltham) (Lab): Will the Minister give way?

Justine Greening: No, I will not.

We have just heard from the shadow Minister that the Opposition are still in denial, and I shall come to that later. Before we conclude what has been a lengthy debate over the past few weeks, I wish to echo the earlier comments of my hon. Friend the Exchequer Secretary. Hon. Members throughout the House have played an essential role in scrutinising the Bill, and I thank them all for doing so.

Today we heard from the shadow Chief Secretary—the man who admitted that there was no money left—and from my hon. Friend the Member for West Suffolk (Matthew Hancock), who successfully demolished the Opposition's case for failing to take any action to sort out the deficit. We heard from a number of Opposition Members, including the hon. Members for Wakefield (Mary Creagh), for Streatham (Mr Umunna) and for Chesterfield (Toby Perkins). I listened to what they had to say with great interest, and in many cases they violently agreed that we are in a serious situation that needs to be sorted out. What we failed to get from any of them, however, was any kind of alternative. That thread has run through not just today's debate but the debates over the past few weeks.

We heard an important contribution from the hon. Member for St Ives (Andrew George), who throughout our debates has talked about his concerns about some aspects of the Bill. However, he has recognised that we have to take serious steps to sort out the fiscal deficit. We also heard from my hon. Friends the Members for Daventry (Chris Heaton-Harris), for Dover (Charlie Elphicke) and for Stourbridge (Margot James), who all want a Government who face up to the challenge, as do their constituents.

The Bill provides for many of the key measures in the emergency Budget, which was needed to address the fiscal crisis that we face in our country and get Britain growing. Although it was tough, it needed to be, and was, fair. When we came into government, we had to set up the Office for Budget Responsibility to get, finally, an independent review of the books. That review showed that the books were perhaps even worse than the former Chief Secretary had said.

Clive Efford: Will the Minister give way?

Justine Greening: No, I will not.

The OBR said that the deficit was £12 billion larger than had previously been suggested, so our priority was to tackle that deficit. Although reductions in public sector spending will be necessary to ensure that it is at a level affordable to the public, taxes clearly have to play their part as well. As we have heard, even from the hon. Member for Wallasey (Ms Eagle), growth in employment must be led by the private sector. Reducing incentives to employers, as the previous Government would have done by introducing the jobs tax and raising small companies' corporation tax rates, would have reduced incentives and led to our economy languishing for longer and longer, and debt building up.

Chris Williamson (Derby North) (Lab): Is the Minister aware, though, that the *Financial Times* published research last month showing that 1.2 million jobs in the private sector rely on the public spending that she is going to cut?

Justine Greening: That is typical of the contributions that we have had from Opposition Members all the way through our debates. The hon. Gentleman's party went into the election having passed its Fiscal Responsibility Act 2010, which set out 20% cuts. That means one of three things. Either Labour Members had no intention of ever reducing or tackling the deficit, in which case the Act was gross duplicity; or they went into the election standing on a platform of cuts with no idea whatever of how to deliver them, in which case it was gross incompetence; or they knew what they wanted to do but still, in spite of all the hours of debate, fail to admit to any of the measures that they were planning to take, in which case it is gross concealment. We need take no lectures from the hon. Gentleman.

Clive Efford: Will the Minister give way?

Justine Greening: No, I will not. There was a time when the Labour party had something relevant to say on the economy; that time has now passed.

What we need to do is to ensure that companies in this country and across the world know that Britain is open for business. That is why the centrepiece of the Budget was providing a springboard for a private sector-led recovery to take place by reducing the rate of corporation tax year on year over the next four years; reducing the small profits rate of corporation tax, benefiting 850,000 companies; and of course taking difficult decisions on capital gains tax changes that will mean increases for higher rate tax payers while protecting entrepreneurship. The Budget was welcomed by business across the board, and it is important to bear that in mind when Opposition Members say that they do not believe that it will ultimately boost jobs.

Although we wanted to help business succeed, we also recognised the importance of protecting those most in need, and the Budget did just that. From April 2011, we are increasing the personal allowance, removing almost 1 million people from income tax. On pensions, we are taking the power to repeal the pensions tax regime introduced in the Finance Act 2010, which will allow us to bring in a fairer arrangement that will not allow the very rich to benefit from basic rate tax relief. We are re-establishing the earnings link for the state pension with a triple guarantee, making changes to the benefit system that will protect the most vulnerable people in our society, increasing child tax credits and introducing a set of measures that, despite a tough Budget, will leave child poverty unchanged.

We know that we need to take that action, because the Labour party has absolutely no alternative. We have debated the Budget long enough now for Labour Members to have brought forward an alternative if they had one, but they clearly do not. We have been honest and open about the problems that our country faces.

Clive Efford: Will the Minister give way?

Justine Greening: That is what the voters expect, and what they—[Hon. Members: "Give way!"] Oh, I will give way.

Clive Efford: I am very grateful to the hon. Lady, but will she accept this one point? Throughout the debate her party has argued that the state is too big. Everyone accepts that the Budget will cut the size of the state so that in six years, it will be smaller as a proportion of GDP than it was in 1997. Does that not suggest that it is an ideological move, and on that basis does she not accept that if the Tories had been elected in 1997, they would have come in cutting?

Justine Greening: What is too big is the deficit. That is what we need to sort out. As I have said, the hon. Gentleman's party itself recognised the need to cut public expenditure, which has to be at an affordable level.

While we have sought to engage the public in the debate about how we can recover from the economic crisis, rebalance our economy and rehabilitate ourselves from debt-driven policies, all that we have heard from the Opposition is what they do not like, and nothing about what they would do instead. They have said no to everything and yes to nothing, and they have kept quiet when asked how they would solve the problems that they have caused. It was one party that got us into this mess, and now two parties will have to get us out of it.

We have heard a lot of analogies today, but to my mind the Opposition are in denial: they are like a debt junkie. Like most junkies and addicts, they always want to solve the problem tomorrow. They want a reduction in the deficit tomorrow, growth in the private sector tomorrow, and fairness for those most in need tomorrow. We were never going to see any action from the Labour party, and over the course of this Budget debate we have heard shrill voices of despair from the Opposition Benches.

We have taken decisions that are right for this country—tackling our debt, kick-starting the private sector and taking action to take those on the lowest incomes out of income tax. Those choices are the right ones to start our country back on a credible path to sustainable recovery. We are encouraging enterprise and protecting those most in need, yet tackling the colossal debt left to us and to this country. This coalition Government are making decisions where Opposition Members did not have the courage, and I commend the Bill to the House.

Question put, That the Bill be now read the Third time.

The House divided: Ayes 322, Noes 242.

Division No. 32] **[7.19 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Foster, Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, Simon
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Pugh, Dr John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory

Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Stephen Crabb and Norman Lamb

NOES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Caton, Martin
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Llwyd, Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Weir, Mr Mike
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Wilson, Sammy

Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Mark Tami and
Lyn Brown

Question accordingly agreed to.

Bill read the Third time and passed.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

SEA FISHERIES

That the Fishing Boats (Electronic Transmission of Fishing Activities Data) (England) (Scheme) 2010 (S.I., 2010, No. 1600), dated 14 June 2010, a copy of which was laid before this House on 16 June, be approved.—*(Bill Wiggin.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6))

INTERNATIONAL MONETARY FUND

That the draft International Monetary Fund (Limit on Lending) Order 2010, which was laid before this House on 23 June, be approved.—*(Bill Wiggin.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

DANGEROUS DRUGS

That the draft Misuse of Drugs Act 1971 (Amendment No. 2) Order 2010, which was laid before this House on 12 July, be approved. —*(Bill Wiggin.)*

Question agreed to.

Backbench Business

[1ST ALLOTTED DAY—FIRST HALF]

Information for Backbenchers on Statements

7.34 pm

Mr Philip Hollobone (Kettering) (Con): I beg to move,

That this House commends the Speaker on the action he has taken over the past year to reassert the principle that Ministers ought to make statements to the House before they are made elsewhere; notes that paragraph 9.1 of the Ministerial Code says that when Parliament is in session, the most important announcements of Government policy should be made in the first instance in Parliament; believes that compliance with this principle is essential for backbenchers to be able to represent the interests of their constituents and hold the Government to account; and invites the Procedure Committee to consider how the rules of the House could be better used or, if necessary, changed to ensure compliance with this principle and to develop a protocol for the release of information.

It is a rare privilege and honour for me to open this, the first of the Backbench Business Committee debates on the Floor of the House. We are honoured by your presence in the Chair this evening, Mr. Speaker. In this motion we do some important things. First, we commend you for the action that you have taken in ensuring that the Government get the message that important policy announcements should be made to Members of this House first and not to the wider media. In the motion, we draw attention to paragraph 9.1 of the ministerial code, which says exactly that. It says that:

"when Parliament is in session, the most important announcements of Government policy should be made in the first instance in Parliament".

It also says that we believe that compliance with this principle is essential for Back Benchers to be able to best represent the interests of our constituents and hold the Government of the day to account. Constructively, we suggest that the Procedure Committee—I see the Chairman in his place—be invited to consider how the rules of the House could be better used, and if necessary changed, to ensure compliance with this principle and to develop a protocol for the release of information.

The Chamber of the House of Commons should be the centre of political public life in our country. It should not be an inconvenience for Ministers to come here and tell the country about important policy: it should be an honour and privilege to keep the information to themselves until they have told Members of this House. It should be a matter of professional pride, so to speak, that information is not put out into the wider ether until the representatives of the people are told first, in this Chamber. This is not a criticism only of the present Government, but a criticism of all Governments, Labour, Conservative and coalition, going back for some time.

The purpose of the motion is not only to make the point that this Chamber should be considered first and foremost in the minds of Ministers, but to be helpful to the Government so that the coalition sets a precedent by putting in place a set of procedures that will avoid the confusion that has obtained down the ages and,

worryingly, has already been seen in the present Session. We need to get the system right to help all of us to represent the concerns of our constituents better.

Mr Greg Knight (East Yorkshire) (Con): Does my hon. Friend agree that the problem has worsened with the advent of 24-hour news?

Mr Hollobone: I am most grateful for the helpful intervention from my right hon. Friend, the distinguished Chairman of the Procedure Committee. There are many benefits of 24-hour news coverage, although accuracy is not necessarily one of them—nor is undue pressure on Ministers to release information before the House is told. But that is no excuse for Ministers to fail to resist the temptation to get their message out before telling the House. I agree that it is an additional pressure, but it should not be an excuse.

The early release of information is not confined to the broadcast media age. In fact, we can go back to the infamous incident on 13 November 1947, when the then Chancellor of the Exchequer, Hugh Dalton, resigned a few hours after what he described as "a grave indiscretion" on his part. Some Members might not be familiar with this infamous case, so perhaps I can indulge the House for a moment by reminding them. There was the following exchange on the Floor of the Chamber: Mr Raikes raised a private notice question, which was the procedure in those days, and

"asked the Chancellor of the Exchequer whether he has considered the accurate forecast of the Budget proposals in a newspaper on sale at 3.45 p.m. yesterday, a copy of which has been sent to him, and if he will institute an inquiry into the source of the information."

Very humbly, Mr Dalton, the Chancellor at the time, told the House:

"I very much regret to tell the House that the publication to which the hon. Member refers arose out of an incident which occurred as I was entering the Chamber to make my speech yesterday. In reply to questions put to me by the Lobby correspondent of the "Star" newspaper, I indicated to him the subject matter contained in the publication in question. I appreciate that this was a grave indiscretion on my part, for which I offer my deep apologies to the House."—[*Official Report*, 13 November 1947; Vol. 444, c. 551.]

A few hours later, *The Times* reported Hugh Dalton's resignation letter to the Prime Minister, in which Hugh Dalton wrote:

"In view of the incident which was raised to-day in the House, I think my duty to offer you my resignation".

Meg Munn (Sheffield, Heeley) (Lab/Co-op): That is a very interesting historical episode, and I thank the hon. Gentleman for telling us about it, but on that basis, has he worked out how many current Ministers would have had to resign?

Mr Hollobone: That is an extremely good point, and the answer is: all of them—and most of the previous Government as well. The basic point of my speech is that standards have been going downhill since 13 November 1947. Mr Dalton was clearly in the wrong, and he paid the ultimate political price, but what has been happening since is that Ministers of the Crown, under Conservative, Labour and coalition Governments, have been getting away with it. The purpose of today's motion, in praising the Speaker for the steps he has taken, is to give the House the opportunity to say, "Enough is enough. We are going to do things differently in the future."

Mr Wayne David (Caerphilly) (Lab): Does the hon. Gentleman think that members of the Government who have leaked or given such information before the House has been informed were weak, or does he think that there has been a Government strategy to bring it about?

Mr Hollobone: It is probably both, to be fair. I am not moving this motion in a politically partisan way; I am moving it on behalf of my colleagues on the Backbench Business Committee and all Back-Bench Members, whatever parties they represent, in order to hold the people on the Front Bench to account for their behaviour. As a Back-Bench Member, I do not particularly care whether they are Conservative, coalition or Labour Ministers. Their first duty should be to report their new policy announcements on the Floor of the Chamber.

John Mann (Bassetlaw) (Lab): The hon. Gentleman says he is speaking on behalf of all of us, so why is the motion pussyfooting around so much by referring the matter to another Committee? Why not propose that such Ministers be suspended? When the ceiling can take it, let us have these people suspended.

Mr Hollobone: I appreciate the hon. Gentleman's point. I would say in answer to his question that it is a sensible way forward for the Procedure Committee to take evidence from hon. Members, and I suspect that he will be the first in the queue. The Chair of the Procedure Committee is here tonight to hear contributions from hon. Members. We can develop a sensible protocol that everyone can understand, including Ministers of Crown, and we can find a better way forward. I also say to the hon. Gentleman that the motion has been sitting on the Order Paper for some time, and if he had wanted to table an amendment, he would have been quite within his rights to do so.

Barry Gardiner (Brent North) (Lab): The hon. Gentleman is making an excellent case, and I welcome how he is standing above party politics in order to do it. He mentioned the advent of 24-hour news. Does he similarly deprecate the fact that for once the news Galleries in this place are empty? There seems to be no appetite in the media for what the Chamber is trying to do in asserting the power of Parliament back over an overweening Executive.

Mr Hollobone: I thank the hon. Gentleman for that helpful intervention, although actually it was my right hon. Friend the Member for East Yorkshire (Mr. Knight), the Chair of the Procedure Committee, who made the point about 24-hour news media. However, the point made by the hon. Gentleman was spot on. The thrust of this motion, and the reason the Backbench Business Committee put it forward tonight, is that all too often the Press Gallery is empty. Why is it empty? It is because the media have generally heard about it all before we get to hear about it on the Floor of the House.

Pete Wishart (Perth and North Perthshire) (SNP): I thank the hon. Gentleman for giving way—he is being generous with his time. He says that he is representing all Back-Bench Members, but he will know that we in the minority parties have famously been disqualified from standing for the Backbench Business Committee. I know that he and his colleagues have looked at this

[Pete Wishart]

sympathetically, and the charming exercise by the Committee Chair, the hon. Member for North East Derbyshire (Natascha Engel), has persuaded us to come along this evening and participate in the debate. However, what does he have to say to me and the hon. Member for Foyle (Mark Durkan), who is sitting next to me, that would encourage us to take a part in the Committee?

Mr Hollobone: First, I agree that we have a charming Committee Chair, and she has gone out of her way to ensure that the minority parties are invited to the Committee to give their point of view. Indeed, we received a representation at a recent meeting to that effect. Certainly on behalf of the Chair I can say that the hon. Gentleman would be most welcome to attend at 7 o'clock on the first Monday of the September sitting, upstairs in Committee Room 16. We would be delighted to hear a representation from him about what business he would like to include in a future Back-Bench business debate.

Sir Alan Beith (Berwick-upon-Tweed) (LD): Does the hon. Gentleman not also need to recognise that the temptation that Ministers fall prey to is not merely the desire to get on the news, but the desire to present a more limited and selective account of the statement they are subsequently going to make at a point when it cannot be questioned by Members who might know quite a lot about the subject. That statement might be taken at face value by sometimes gullible journalists.

Mr Hollobone: My right hon. Friend is spot on. It is called spin. We in the House of Commons should be trying to un-spin things and ensuring that when statements are made to the House and new policy initiatives announced, we have the opportunity to fire in those questions. Actually, however, many of our constituents are beginning to say, "What is the point of having Members of Parliament, if you can read all about it in tomorrow's newspapers?" The journalists are getting better access to Ministers about lots of policy announcements than we are in the House.

Harriett Baldwin (West Worcestershire) (Con): I would like to make some observations as a new Back-Bench Member on the 24-hour media cycle. One of the things that strikes me is that, because the House does not sit on some days until 2.30 pm, the news media have ample opportunity to coax information out of Ministers that might be better given to the House. I, for one, would like to put it on the record that I would be very willing to come in and go home much earlier for sittings and have a much more family-friendly set of hours.

Mr Hollobone: That is a most helpful and excellent suggestion from my hon. Friend, and I am delighted that she has had the opportunity to make it. It would appear to most people outside this place that the hours we sit are in many ways absurd and certainly not family friendly. Furthermore, in many ways they are not the best hours for us to do good business in the House, and anything that would stop journalists getting information before hon. Members would need to be welcomed.

The hon. Member for Perth and North Perthshire (Pete Wishart) asked what comfort our Committee could offer minority parties. The invitation is open to the minority parties and every other Back Bencher: whatever party they might represent—this goes for independent Members too—they should come and tell the Committee what they would like to be discussed on the Floor of the House.

John Mann: It is very kind of the hon. Gentleman to invite us all to the meetings, but we elect people to represent us. If the Procedure Committee comes back with some wishy-washy, mealy-mouthed excuse of an answer to the question that has been put, how will the Backbench Business Committee represent us all properly and ensure that the issue that it has rightly raised is properly voted on by the House?

Mr Hollobone: The hon. Gentleman is talking about a hypothetical case. Knowing the Chairman of the Procedure Committee as I do—my right hon. Friend the Member for East Yorkshire—I think that wishy-washy is the last thing that any recommendation will be. I am also sure that you, Mr Speaker, will be taking a close interest in the work of the Procedure Committee and any motion that may come back to the House in due course, so I do not want the hon. Gentleman to be unduly worried about the process.

John Mann: I thank the hon. Gentleman for that, but the question of process is rather important. This is the first opportunity for the Backbench Business Committee to try to have some influence, yet the issue is being referred to another Committee of the House. We have seen this kind of thing before. If the Procedure Committee fails to come back with something sufficiently substantive, how will the Backbench Business Committee take the issue forward?

Mr Hollobone: I anticipate a substantive motion on the Floor of the House in due course to endorse the principle that we have to hold the Government to account by having a proper procedure for statements.

Mr Knight: On the point that has just been raised, it is entirely hypothetical at this stage, but I would expect that if this evening's motion goes ahead and the Procedure Committee makes recommendations, those recommendations would come before the whole House. It would then be for the whole House to decide what to do, including the hon. Member for Bassetlaw (John Mann).

Mr Hollobone: I am sure that any motion that comes before the House will benefit from the contribution of the hon. Member for Bassetlaw (John Mann), because he has a lot to say on the issue, and quite rightly so. However, what I would say to him now is that the motion on the Order Paper this evening is not wishy-washy. We commend the Speaker on the brave steps that he has taken, we reassert the principle that Ministers ought to make statements to the House, and we note paragraph 9.1 of the ministerial code. We can vote on the motion this evening or we can accept it without going through the Division Lobbies. We will be in a far better place if the motion succeeds this evening than we were yesterday.

Andrew Selous (South West Bedfordshire) (Con): My hon. Friend has been extremely generous in giving way. Does he agree that we will need to see a major shift in

how the media do their business? It is not just the 24-hour news cycle; it seems that the local and national media expect to be given everything in advance. They ring us before we make a speech to ask us what will be in it. Does he agree that that has to change?

Mr Hollobone: That is a most helpful intervention, and I am grateful to my hon. Friend for making it. I have huge respect for those who work in news organisations. They have a difficult job to do and, by and large, they do it very well, whether in our local newspapers or as representatives of the national media. What I would say to my hon. Friend is that news is not really news anymore. In the olden days, news used to be about things that had happened; nowadays, news is about things that are anticipated will happen. Often, by the time the event actually takes place the news has moved on to something else. The broadcasters in particular, with the appetite for 24-hour coverage, are distorting the news picture and confusing a lot of our constituents.

Mr Peter Bone (Wellingborough) (Con): I am grateful to my hon. Friend for giving way. He is making a powerful and historic speech that will go down in the annals of this great Parliament. The reason the hon. Member for Bassetlaw (John Mann) is unhappy is that there were no amendments to the motion from hon. Members, which is a shame. However, if he was minded to divide the House this evening because the motion did not go far enough, he would be giving all those Ministers who leak the opportunity to vote against it.

Mr Hollobone: There's food for thought. My hon. Friend makes an excellent point.

Barry Gardiner: I rise simply to correct the assertion I made earlier that the Press Gallery was bereft. I have since noticed the not inconsiderable frame of one of the members of the press—I believe from the *Jewish Chronicle*—who—

Mr Speaker: Order. The hon. Gentleman entered the House with me in 1997, and he is aware of the normal custom that one does not refer to people outside the Chamber. I allowed a modest latitude for the hon. Member for Kettering (Mr Hollobone), because what he was saying was central to the thrust of the argument that he wished to develop, but to get into the business of identifying individual journalists is not good for the House, and it is probably not good for the egos of the journalists concerned either.

Mr Hollobone: I am grateful for your ruling, Mr Speaker. Should there be any members of the Press Gallery up there this evening, they should be commended on turning up, although as you know, the reputations of lots of members of the Press Gallery precedes them, whether they are here or not.

If you will forgive me, Mr Speaker, I got stuck in 1947, with the resignation of the then Chancellor of the Exchequer. However, to move on from that, the Library has produced some valuable intelligence on the issue of ministerial statements not being made correctly. I understand that in the 27 years since 1983, there have been 44 incidents on the Floor of the House when the Speaker or a Deputy Speaker has had to make a ruling about the pre-release of information. Indeed, I fully expect the total figure to be somewhat higher. We are therefore talking about a regular occurrence, and it is clearly difficult for any Government, of whatever colour, to get things right. That is why we now have an opportunity, with this new politics, to try to ensure that we have a protocol in place that everyone can understand and which it is far more difficult to fall foul of.

Even though the Backbench Business Committee is a new innovation, the issue of ministerial statements going wrong has been discussed on the Floor of the House and by Select Committees before. In February 2001, the Public Administration Committee conducted an inquiry into the ministerial code. Its findings make for interesting reading, so perhaps I could indulge the House for a moment by reading them:

"There is one respect in which the accountability requirements of Ministers in relation to Parliament have been weakened over the lifetime of the Ministerial Code. This concerns policy announcements to Parliament. The 1949 version of the Code provided that: 'When Parliament is in session, important announcements of Government policy should be made, in the first instance, in Parliament.' However, in...1997...the formulation has become: 'When Parliament is in session, Ministers will want to bear in mind the desire of Parliament that the most important announcements of Government policy should be made, in the first instance, to Parliament.' This represents a reduction in parliamentary accountability. We recommend that when the Ministerial Code is next revised the spirit of the original wording should be restored in respect of announcements of important Government policy."

Basically, the Government of the day, having been ticked off, accepted that recommendation. However, my contention—and that of the Backbench Business Committee—is that despite being corrected by the Public Administration Committee in 2001, the procedure is still not clear enough to the Government of the day.

I have to say that I am extremely disappointed that the new coalition Government have got off to a bad start on the release of policy information to this House—I should also say that I would have said that whichever Government were now in power. The coalition Government got off to a bad start with the Queen's Speech, which is an extremely poor place to get off to a bad start. The hon. Member for Rhondda (Chris Bryant) raised the matter in the House on a point of order on 25 May, when he said to you, Mr Speaker:

"You rightly used to excoriate Labour Ministers if ever we made announcements before making them to this House, so will you make sure that that lot over there do not announce things to the press—as they have done, day in, day out over the past 10 days—without first bringing them before this House?"

You, Sir, then said:

"This gives me the opportunity to say at the start of this new Parliament that I shall continue to expect, as I said two days after first being elected Speaker last June, that 'Ministers ought to make key statements to the House before they are made elsewhere'... If they do otherwise, I—and, I am sure, the House—will expect to hear explanations and apologies as necessary."—[*Official Report*, 25 May 2010; Vol. 510, c. 53.]

You have been as good as your word, Mr Speaker. The Backbench Business Committee—and, I hope, the whole House tonight—will praise you for that, because you insisted that Ministers who have not complied come to the Chamber to apologise to the House. *[Interruption.]* Yes, and rightly so. Why? Because we are, rightly or wrongly, elected by our constituents to be their representatives in this national Parliament; and if

[Mr Hollobone]

a Minister is deliberately or inadvertently releasing information before telling the people's representatives, they should be called to this House to apologise. To the credit of the Ministers involved, even though they made a mistake with the pre-release of information, they have had the good grace to come here and apologise—and I now make a partisan point—unlike Ministers in the last Government, who never did so.

It is wholly appropriate for the Opposition of the day to hold Ministers to account for the release of information. That is part of the job of Opposition. However, that is also the job of all Back Benchers, whatever party we represent, and it is no use Government Members not being prepared to criticise Government Ministers because we are supposed to be on the same side. We have to think wider than that if we are to fulfil our proper roles as Back Benchers. We must have the guts to stand up and say to Ministers on our own side, if necessary, that this is not right and not the way to treat the House of Commons of the UK. We should encourage Ministers to take a professional pride in releasing information only to this House in the first instance.

Chris Bryant (Rhondda) (Lab): The hon. Gentleman is making a very sensible speech, and I look forward to his promotion to the Conservative Front Bench in the very near future. Is not the problem the fact that there is not really any sanction? The worst possible sanction is that Mr Speaker says, "You have got to come and make an apology", at the end of which not much happens. Would it not be better if we had a proper system of sanctions so that Ministers could, if they broke this code, be referred to the Committee on Standards and Privileges?

Mr Hollobone: The hon. Gentleman makes an excellent contribution, and I hope the Procedure Committee will take it into account. I am sure he would want to put the point that he just raised to that Committee.

Mr Bone: My hon. Friend is being generous in giving way. Should we not take very seriously the point raised by the hon. Member for Rhondda (Chris Bryant) because, after all, he is a poacher who has now become a gamekeeper?

Mr Hollobone: That is right: the hon. Member for Rhondda has seen things from both sides of the fence. I am sure he was very careful about the release of information when he was a Minister, and I am also sure that he appreciates how difficult it is—I understand this—for Ministers of the Crown to control the release of information when, over the years, this culture of news management has developed. In Government Departments and in political parties, there are spin doctors and advisers whose job it is to manage the news, but the message should go out to these people that they are getting in the way of our democracy. They are not the most important people in our democracy; the people's representatives are the most important. All of us here can, in theory, bring Governments down if we have the guts to do so, and we should hold the Government of the day to account for their behaviour.

Robert Halfon (Harlow) (Con): Would it not be a good idea to have statements delivered at the beginning of the day, so that there would be less chance of their falling into the news cycle? If they happened at the start of the day, they would set the agenda.

Mr Hollobone: My hon. Friend makes an extremely good point, which is not unrelated to the earlier intervention by my hon. Friend the Member for West Worcestershire (Harriett Baldwin). If the parliamentary day were shifted forward, it would clearly help regarding the danger of leaking information.

What we need is some iron resolve in Ministers of the Crown that when they make important decisions, they announce them to the people's representatives first. They face all sorts of difficulties with that, but the message should go out from us tonight that we really want them to face up to them.

Stephen Pound (Ealing North) (Lab): The hon. Gentleman is leading us gently to the place where I think he wants to take us, but on the question of meeting earlier and earlier—apart from the inevitable logic of having the House sitting just after midnight—what on earth would he do about the Sunday papers? Saturday sittings have not occurred since the 17th century, I believe, although I am sure that the hon. Member for Louth and Horncastle (Sir Peter Tapsell) will remind me.

Mr Hollobone: I do not detect a huge appetite for Saturday sittings, but if the hon. Gentleman wants to make that representation, he is perfectly entitled to do so. I recognise that there is a problem with the weekend media. Are we really saying that the media are so voracious in their desire for news and so powerful that Her Majesty's Government are unable to resist them? If so, we are saying that our democracy is pretty hopeless.

Mr David: Does the hon. Gentleman agree that what he describes could be put to an end if the Prime Minister of the day said simply that this should happen no more?

Mr Hollobone: I do not think that would be enough, which is what is behind tonight's motion. It is not for the Prime Minister alone to say these things; it is up to us in this House to assert our authority over the Prime Minister and other Ministers of the Crown. It is up to us collectively to say, "We are the House of Commons, rightly or wrongly, and all of us were elected by our constituents to hold the Government of the day to account." It is not up to us, on matters like this, to take diktats from the Prime Minister. It is for us to say to Ministers, "If you have an announcement affecting the nation, we want to be told first"—not only because we were elected by the people to represent them, but because we can then question Ministers about the statements they make. If we get this right, it will raise the level and quality of statements because Ministers will know, as the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith) said, that they cannot just spin things out to the media, as they have to come here and face our wrath first.

Mr David Nuttall (Bury North) (Con): Does my hon. Friend agree that the real problem at the heart of the issue is the precise interpretation of the ministerial code, which states that "the most important

announcements" have to be made "in the first instance" to Parliament? It is particularly the interpretation of "the most important announcements", as opposed to announcements that affect the whole nation, as my hon. Friend said, that is critical. If it were to say "all announcements", for example, there would be no doubt about it, and it would effect a change in Government policy. If that were to happen, it might go a long way towards resolving this problem.

Mr Hollobone: My hon. Friend makes an extremely good point, and I hope that he, too, makes a representation to the Procedure Committee. The difficulty that we all face is that if the Government were to make all announcements on the Floor of the House, there would not be much time left for other business—Government or otherwise. The difficulty is striking the right balance between the most important policy announcements and the others.

We saw a very good example of that today on the occasion of the urgent question about the Office for Tax Simplification. I am perfectly prepared to accept that the Exchequer Secretary had very good intentions in releasing a written ministerial statement, but as a humble Back Bencher I must express my personal view that on a day when we were discussing Treasury matters, it would have made sense for him to come to the House to make an oral statement.

The difficulty faced by my hon. Friend the Exchequer Secretary lay in the need to achieve the right balance between what is a really important statement and what is not. Today Mr Speaker rightly accepted an urgent question because he felt that it concerned a matter that he felt needed to be discussed on the Floor of the House. However, I think that if we can clarify the protocol, with the guidance of the Procedure Committee and input from hon. Members, the Exchequer Secretary, if faced with a similar situation in the future, will be crystal clear about what should be announced on the Floor of the House and what should be released in the form of a written ministerial statement. That is an illustration of the fact that the present system is not working properly.

Steve Baker (Wycombe) (Con): I am put in mind of, I think, Pericles in Athens. He said that while only a few might originate a policy, anyone could judge it. Would my hon. Friend care to reflect on where we are more broadly in our country in terms of the internet? Nowadays, when a policy is announced anyone can indeed judge it, and can immediately start to communicate about it. Could my hon. Friend perhaps put that in the context of the House of Commons?

Mr Hollobone: My hon. Friend is clearly better educated than I, especially in the classics, and I commend him for that. He has also made a very good point. As well as 24-hour news media, we now have the internet and all its ramifications.

I do not particularly mind how people comment on Government policy announcements. I do not mind whether they do so by means of a written note, internet traffic or any other means, as long as the House hears about the policy first. I want the Press Gallery to be full. When an important announcement is made by, say, a Minister from the Department for Transport, the Press Gallery is full because members of the press want to hear the news on the Floor of the House first. When it is pre-released to the media, the Gallery is empty.

I have spoken for too long—[Hon. Members: "No, no!"] I shall take those expressions of mock affection as they were intended.

I want to end my speech not by being teacher's pet, but by genuinely saying to you, Mr Speaker, that many of us who are in the Chamber and many Members who are not present genuinely admire what you have done with regard to statements. I want to reprise what you said two days after your election as Speaker, because I consider it to be important and a good base on which to proceed. On 24 June last year, Sir, you said:

> "Just before we move on to the main business, I want to make a brief statement of just three points. First, as I said on Monday, when Ministers have key policy statements to make, the House must be the first to hear them, and they should not be released beforehand. Secondly, in statements, I ask the Front Benchers to stick to their allotted times. I also ask that the Back-Bench Members taking part each confine themselves to one, brief supplementary question. In the same vein, I hope that Ministers' replies will be kept to a reasonable length. Finally, I always expect that those speaking in this Chamber will be heard, so that an atmosphere of calm, reasoned debate is maintained."—[*Official Report*, 24 June 2009; Vol. 494, c. 797.]

It is possible that not all those boxes have been ticked—and if so, it is probably largely the fault of us Back Benchers—but your central point, Sir, about the need to ensure that policy announcements are made to the people's representatives first on the Floor of the House, was absolutely spot on. It is the job of this motion, and of subsequent action, to ensure that we bring that about.

8.14 pm

Alison Seabeck (Plymouth, Moor View) (Lab): It is a pleasure to follow the hon. Member for Kettering (Mr Hollobone), who is and always has been a very assiduous Back Bencher. I am sure he can confirm to the House that he did not pre-brief the press on his speech.

We are debating an issue that is of real importance to the way in which the House, and thence our parliamentary democracy, functions. It is imperative for the debate not to be seen through the petty prism of party politics. This is not a partisan issue, and while attempts to portray it as such are understandable enough, given the general atmosphere in this place and the anger that can be generated among both MPs and our constituents when the ministerial code is broken, it would be wrong to do so.

Let me take up the theme initiated by the hon. Gentleman. A hallmark of your tenure thus far, Mr Speaker, is that you have acted to strengthen the role of the Back Bencher and have sought to reinforce the principles of the ministerial code, one of which is that important statements should be made here before they are made to the media. All too often, however, that convention is still flouted, and it is only through the granting of urgent questions that Members are able to represent their constituents' interests in the face of an Executive who continue the age-old tradition of occasionally treating the House, and the Speaker, with discourtesy.

This is not a new problem, and I do not wish the debate to descend into a tit-for-tat event during which each side decries the other for having "started it first".

[Alison Seabeck]

The issue has plagued the House under Governments of all colours—although I am pleased that the Liberals, who of course have not been in government until very recently, for once cannot play the "whiter than white" card. I am afraid that we are all implicated.

Announcements on the "Today" programme, to GMTV or to the newspapers are nothing new. Quite apart from the leaking of this year's Budget, the Queen's Speech and a raft of subsequent policies, our parliamentary history is littered with examples. In 1936—well before the 1947 leak—the Budget was leaked by Jimmy Thomas to another Conservative Member. He subsequently resigned not only his seat in the Cabinet, but his seat in the House.

Mr Bone: The hon. Lady is making a powerful speech. However, in that instance the Budget may not have been leaked. It is possible that there was an inadvertent interpretation of something that had been said. Even the suggestion that there had been a leak was enough for the Minister concerned to resign.

Alison Seabeck: Yes, indeed. It was a question of honour, and I think that we have lost a little of that.

As was mentioned by the hon. Member for Kettering, the 1947 Budget was famously leaked to the *Star* by the then Labour Chancellor, and the 1996 Budget somehow ended up in the hands of the *Daily Mirror*. As I have said, it is not a new problem; but it is a problem whose resolution is long overdue. We must take it upon ourselves, in this new Parliament, to ensure that the House is returned to the heart of substantive political life in this country.

I am not interested in the question of who has the worst track record, although it is useful to be able to draw on historical examples. I am interested in how we can bring the practice to an end. This was supposed to be the "clean slate" Parliament. A new Parliament with a large influx of new Members should have been able to start afresh. We have made many advances in the way in which we do things—I am thinking not least of the advent of a Committee devoted to Back-Bench business—but the continuation of the old way of doing things must be nipped in the bud.

The fact that Governments, Labour, Liberal and Tory, have leaked and pre-announced policy to the media in the past—advertently or inadvertently—does not give licence to the current incumbents to carry on in the same way. We are in the process of changing the balance of Parliament, so that it ceases to be a Parliament in which Back Benchers are here simply to cheer on their respective Front Benchers, and becomes one in which ministerial promotion is not seen as the sole career path, and in which Back Benchers can bring their experience to bear and ensure that their constituents' interests are fully represented. We cannot do that if the House is not treated as the right and proper place for ministerial announcements and statements.

We all know that Ministers have a hard job to do. Working on red boxes at 2 am, as Ministers do in some of the busier Departments, is not fun, and mistakes do occur. Working in haste also leads to mistakes and poor scrutiny by Ministers of vital papers, as has happened in the last week or two. We must not mention the word "lists" too often. However, it is within the power of Ministers to prevent some of those mistakes from happening, and it is a shame—a real shame—that the Education Department's Ministers did not check the detail of those lists more carefully. As has been pointed out, however, the Secretary of State had the good grace to apologise in person.

Back Benchers really should not have to sit by their radios every morning listening with bated breath to the "Today" programme while simultaneously channel-hopping across the various breakfast television media, simply to make certain that they know what is going on. Back Benchers ought to know that this House, and this House alone, is where statements are made, where policy will first be debated, and where their views will be heard before the media circus kicks off. The comments of the hon. Member for Kettering about the empty Press Gallery reinforce that point. If Ministers had to come to this House, those in the Press Gallery would be able to see the reaction of Back-Bench MPs and hear our constituents' concerns being voiced directly. An empty Press Gallery is not a good sign.

John Mann: Does my hon. Friend agree that if this motion is passed tonight and a Minister transgresses in the near future, that would be a far greater offence than in recent years, and it would therefore require far stronger action from the House?

Alison Seabeck: My hon. Friend is absolutely right and, if the motion is agreed to, it will be interesting to see how the Procedure Committee takes matters forward. I shall have some suggestions later in my comments as to exactly what some of the penalties might be.

Stephen Pound: My hon. Friend the Member for Rhondda (Chris Bryant) talked about sanctions, and my hon. Friend the Member for Plymouth, Moor View (Alison Seabeck) mentioned the case of J. H. Thomas. If I remember rightly, he was playing golf on the morning in question and made a joke about "Tee up", which was interpreted to mean that there was going to be an additional duty on tea, which was correct. He was sued by the Thomas Lipton company because of the consequences for its shares. Does my hon. Friend the Member for Plymouth, Moor View agree that this is all about Ministers trying to control situations, and it is the control rather than the inadvertence that is the key to the issue? Does she also have sympathy for the point made by my hon. Friend the Member for Rhondda that this issue should, in fact, be referred to the Standards and Privileges Committee?

Alison Seabeck: I thank my hon. Friend for his, as always, incredibly well-informed comments.

Stephen Pound: I was there at the time.

Alison Seabeck: You don't look a day over 21!

I agree that the precise nature of the sanction is an issue—and I have a proposal that may be thought of as somewhat flippant. My hon. Friend the Member for Rhondda is something of an expert, however, and I therefore think we should listen very carefully to what he has to say and to his proposals.

Sir Peter Soulsby (Leicester South) (Lab): On the need to take this issue forward speedily and robustly, does my hon. Friend agree that it is a matter of considerable regret that the Procedure Committee has not yet been appointed, and will she join me in encouraging Members,

particularly on the Opposition Benches, to make up the numbers so as to ensure that this can be dealt with properly? Perhaps my hon. Friend the Member for Bassetlaw (John Mann) might join us as a member of that Committee in order to ensure that it does, indeed, produce an early and robust response.

Alison Seabeck: I thank my hon. Friend for his remarks, and I am sure colleagues on both sides of the House will have heard what he had to say. It is to be hoped that a volunteer or two will come forward. The Committee should be set up as soon as possible, and he is right to say that it will be very difficult to proceed otherwise.

Back Benchers and the whole House ought to be the first to hear ministerial statements and policy announcements, and they should know that the only place for that will be either this place or the other place. That is a matter not only of constitutional convention and courtesy but of practicality. Members of this House should not have to be faced with phone calls from the media telling them what is going on in the outside world and asking for their views on events about which they have no knowledge. We have all experienced that and, apart from anything else, having to say, "I haven't heard about that" is very embarrassing—nor does it give people confidence in our ability to do our job properly. That is certainly not a way to run a democracy, and I look to the Leader of the House to ensure that, in so far as his remit stretches, our democracy runs as well as it possibly can. I therefore hope he will commit to redoubling his efforts to bring Ministers to the Dispatch Box before they reach for the radio mike.

An excuse that has often been given is that the majority of the White Paper or statement was in fact revealed to the House and that only one or two of the main items have been released to the public—that is of relevance to a point made earlier about the precise wording of paragraph 9.1 of the ministerial code. That excuse is not good enough, because often the juicy bits of the White Paper or statement are leaked to the press and the House is left with the odds and sods—if I am allowed to use that term. *[Interruption.]* Yes, the bare bones might be a better phrase. My point is, however, that all of the contents should be saved for the Floor of the House.

Mr Bone: The hon. Lady has got to the crux of the issue. The Minister wants to leak the juicy bits to the media because it will get a favourable press. If he does not do that, the media might write about the bits he does not want to be discussed.

Alison Seabeck: I am sure the hon. Gentleman is absolutely right, and I concur with that view. I do not imagine that any member of the Treasury Bench team will be willing to defend the practice of pre-announcing policies or leaks to the media. If any of them are, however, then I am ready to give way and hear the rationale, but if they cannot defend the practice then they should not practise it.

Under a Labour Government, we had the release of difficult news under cover of a smokescreen of even worse news—"A good day to bury bad news" was a term used. However, that term was used by a special adviser, and although what she did was not technically out of order, she at least left her job as a consequence. Ministers need to learn some lessons from that.

John Mann: My hon. Friend has brought up a critical change that has taken place with complicity on both sides of the House, which is that the majority of special advisers appear, in fact, to be media advisers and press officers who advise on nothing special other than how to manage news. Is this not a problem that has now become deeply embedded in our politics, and which we could look at addressing?

Alison Seabeck: Yes, it is a problem, and strangely enough it is at its worst at the beginning of a new Government. When our party was elected to government in 1997, we had a lot of very good advisers who had been extraordinarily good in opposition at spinning stories out and making sure that shadow Ministers got their stories in the press. However, working with the civil service and Parliament in government involves a completely different mindset. We have to treat the two phases quite differently. A special adviser just chatting away to a media person and trying to get the nub of a story out—or spinning it out—from a Government position can have the sort of effect that we have seen, and which we are all here in the Chamber now objecting about, when a story appears in the press in advance of being announced in the House.

John Mann: Taking the Department for Transport, or whatever it might be called these days, as an example, is not the point that the concept of a special adviser suggests someone who is highly specialist and gives advice on transport, not somebody who is highly specialist and gives advice on news management? Even if Ministers are held to greater account by the House, it is that feature of special advisers that is so embedded in our system, as is the concept of their spinning to the media. After all, that is precisely what these people are paid to do.

Alison Seabeck: I thank my hon. Friend for that intervention. To be fair to special advisers and to Ministers who employ them, they are not all of that ilk; there are within government, as there certainly were within our Government, very specialist people in the particular spheres in which they work.

Unfortunately, despite the risk of being chastised by you, Mr Speaker, and your predecessors, it has been difficult to bring both the current Government and the previous one to heel on some of these issues. Although apologies have been made, sanctions should be considered. I hope that the Chairman of the Procedure Committee is listening to these comments, which I am sure will be reinforced later in the debate. What is an appropriate punishment for Ministers? Perhaps we should make them deliver the apology on their knees at the Bar of the House.

I shall stop being frivolous, because this is a serious issue and one on which the Government were elected. All parties stood for cleaning up Parliament, modernising this House and listening to Back-Bench MPs, and the Government were elected on that. It might therefore be appropriate for the Procedure Committee to consider insisting that the Prime Minister come to the House to apologise in person every time one of his Ministers pre-announces something. The thought of a Prime Minister having to come to the Dispatch Box on a regular basis to apologise for the actions of members of his team would help to focus minds. Such an approach

[Alison Seabeck]

would make him force his Front Benchers to behave, because that would not be good for his business or for his image.

Barry Gardiner: Does my hon. Friend agree that, given the extent of leaks from both parties when they have been in government, the fact that the leaks have continued signals either that the Prime Minister does not have authority over his Cabinet or that he refuses to implement that authority?

Alison Seabeck: I agree with my hon. Friend.

The motion states that we need a "protocol" that Ministers will abide by and, as Back Benchers, we should expect that to happen. As my hon. Friend the Member for Bassetlaw (John Mann) says, it has to have teeth. There will be an expectation that the Procedure Committee will take this forward and we will expect serious proposals to be made. If they are not, we should revisit this issue because it is incredibly serious. We have heard all the talk about new politics, but I think we should have some action. Let us see Ministers acknowledge the respect with which this House ought to be treated and see an end to policy announcements in the breakfast media.

8.32 pm

Mr Greg Knight (East Yorkshire) (Con): I welcome the fact that we are debating this motion tonight and that we now have a Backbench Business Committee in place. This reform has been a long time coming—the idea that the House of Commons should control its own timetable was first set out in the 1590s by someone called Robert Parsons. So it has taken more than 400 years since the idea was first mooted for it to become a reality. That is hardly speedy progress, even by parliamentary standards.

The call by Robert Parsons for the Commons to take control of its own agenda and assert its historic role as the fount of all public law fell on deaf ears at the time. But the call in 2009 by the Committee on Reform of the House of Commons, to which I was pleased to have been elected a member, has been more successful. I am delighted that we now have a Backbench Business Committee in place at long last.

I congratulate my hon. Friend the Member for Kettering (Mr Hollobone) on his speech and the Chair and members of the Backbench Business Committee on bringing forward this motion tonight. We have heard a number of quotes about what you have said since you took the Chair, Mr Speaker, but you have been consistent. Before you took the Chair, you said, when expressing your own views on this subject, that

"once and for all, Ministers must be obliged to make key policy statements here."—[*Official Report*, 22 June 2009; Vol. 494, c. 624.]

As with so many of your pronouncements, Mr Speaker, who could disagree with that? I certainly do not. So I support the motion and, if the House agrees, I would be very pleased to see that it is properly considered by the Procedure Committee, which I chair.

I know from his interventions that the hon. Member for Bassetlaw (John Mann) does not want to see a wishy-washy report. The basis on which I support this motion and will be inviting the Procedure Committee to investigate the matter is my belief that this problem should be addressed and we need ways to deal with it. We have heard mention of the ministerial code, but one of the problems with it is that it is not policed by the House but by the Prime Minister. The hon. Member for Brent North (Barry Gardiner) touched on what has been the problem in the past—Prime Ministers have perhaps not been as attentive to the ministerial code as they should have been. The hon. Member for Rhondda (Chris Bryant) mentioned sanctions. If the House approves the motion tonight, I anticipate that sanctions will be considered as part of the inquiry that the Procedure Committee would wish to pursue.

I intend to be brief this evening, because I believe that it would be inappropriate for me to take a position on what our conclusions ought to be. If the House agrees to the motion, the Committee that I chair will deliberate, assess and then judge the appropriate way forward and will then, very likely, make a number of recommendations to the House. I have long believed that it is extremely important that one should not be an advocate if one is also to be a judge.

Mr Hollobone: It is a shame, if I may say so, that my right hon. Friend intends to make a short speech, because he is off to a good start. Would it be his intention, when his Committee meets, for this to be the first item of business to be discussed? Does he anticipate bringing back his findings to the House according to a speedy timetable?

Mr Knight: I certainly intend to suggest to the Committee that this should be the first item to be pursued and, if it takes my advice, I hope that it will agree to deal with the matter with all due speed. It is not appropriate for me to pontificate this evening on the detail of the line of that investigation. Instead, I would prefer to remain present throughout the debate to listen to and reflect on the views expressed by the House.

This is a good motion, but the subject at issue is one that, as the motion itself accepts, needs the full and figorous examination of a Select Committee inquiry. I hope that the House will allow that inquiry to take place.

8.37 pm

Kate Green (Stretford and Urmston) (Lab): I am pleased to have the opportunity to speak in this debate tonight and to give the perspective of a new Member of the House who has spent the past 11 weeks trying to make sense of what has been going on. I am tremendously grateful—I know that I speak for other new Members—for the welcome that we have had from right hon. and hon. Members and from the staff of the House. However, I regret to say that that welcome is not sufficient to enable us as new Members to feel that we can do the job effectively, as our constituents expect us to from day one. As someone who knew a bit about the House before I was elected to represent the constituency that I now have the privilege to represent, I have found it difficult to navigate Parliament geographically and procedurally. I welcome this debate, not just in its own narrow terms but as the means to open up a discussion about a modern and well-informed Parliament.

All this matters so much not because of some abstract debate about the importance of the Commons, notions of procedure or ideas of self-importance—to which

many of us are prone, I guess—but because this Government, in common with preceding Governments, are proposing to make massive changes to our welfare state that will have a significant impact on the lives of my constituents. Such changes to our system of social support must be fully debated with the benefit of the best information and understanding.

Already, in only a few weeks, the introduction of new legislation such as the Academies Bill and the launch of the White Paper on the national health service have revealed the scale of the changes that I have described, as will the future proposals on welfare reform and pensions reform. They are not theoretical or empty political gestures of change but fundamental changes to the quality of my constituents' lives.

I hope that the motion will open up a debate about how we can do government better and more effectively. For me, that means that the new politics require a modern Parliament. Many of the issues that hon. Members have touched on would help us to become that more modern Parliament. Many of the parliamentary instruments and devices that we are encouraged to use are, from the point of view of the newcomer at least, opaque and unwieldy at best. My concern is that we should be well informed, that matters should be well scrutinised and that we should have time to consider properly the absolutely vital issues that we are rightly debating and addressing in the House. That means that when statements are made and legislation is brought before the House, they must be in a form that enables hon. Members to consider them properly, fully and appropriately in terms of the time available and the extent of the information that is laid before us.

That point was made repeatedly and from both sides of the House in yesterday's debate on the Academies Bill. As my hon. Friend the Member for Plymouth, Moor View (Alison Seabeck) has said, measures that are brought forward in haste and without adequate scrutiny turn out to be poor when we have to live with them. Given the scale of the changes and the ambitions of the coalition Government, it is important that we should have time to reflect on the proposed changes. We are being asked to respond and to legislate before the detail is properly filled in. There is a lack of opportunity both inside and beyond the House for informed debate. Welcome steps have been taken to improve that—I particularly welcome knowing the date of the spending review in advance as well as the first steps that have been taken in the Budget Red Book to try to open up some of the impact assessments—but there is still a long way to go.

Robert Halfon: You mentioned that because of all the big legislation coming through, it is important that Parliament has the right powers, and of course I agree with you, but do you agree that under the last Government there were also very big legislative measures and that Parliament was then neutered by programme motions and having only one question time a week instead of two? Do you agree—

Mr Speaker: Order. The intervention is a little on the long side. May I very gently say to the hon. Gentleman that I did not mention anything and that I am not agreeing with anyone? I call Kate Green.

Kate Green: I am grateful to the hon. Gentleman for his comments. In common with all the hon. Members who have spoken this evening, I am anxious that this should not be a partisan debate. I was not in the House during Labour's terms of government, but I was certainly aware of many of the proposals and debates that were brought forward and we often lamented how they came at us out of nowhere, without proper time for input and consideration. I certainly hope that we will start to see some changes coming from all the political parties. I know that would be warmly welcomed by informed opinion outside the House.

Robert Halfon: I thank the hon. Lady for giving way again. What I wanted to ask is whether she agreed that there has already been some progress in that we are having this debate at all, in that there is now a Backbench Committee with an elected Chairman and in that we now have elected members and Chairmen of Select Committees? In some ways, the Government are giving powers back to Parliament.

Kate Green: It is right that the House has begun to take on more powers that improve the democratisation of processes, but I do not think that is a consequence of one particular Government, as there has been pressure from Back Benchers as a whole. Also, the steps taken so far have been relatively limited. To sit back now and be complacent about what has been achieved under the first few weeks of this Government would be a very serious limitation on where I suggest we ought to go as a House.

In conclusion, I support the thrust of the motion, but I hope that it is only the beginning of the debate. I believe that I have been elected to do the best I can for my constituents, and the provision of timely, comprehensive information is key to enabling me to do that.

8.45 pm

The Leader of the House of Commons (Sir George Young): It is a pleasure to follow the hon. Member for Stretford and Urmston (Kate Green), who made a thoughtful speech about the need for a modern and well-informed House. On her remarks, it is indeed our ambition to have a legislative programme that is well prepared when the Bills are introduced and that is of a size that the House can easily digest, and it is our intention that the House should have an opportunity, which it did not always have in the last Parliament, to consider the legislation seriously and without undue pressure.

It is a pleasure to intervene briefly in the first debate initiated by the new Backbench Business Committee. This is the first time that the House has had an opportunity to debate a substantive motion on a subject tabled by a Back Bencher since the old system of private Members' motions was abolished in 1995. My right hon. Friend the Member for East Yorkshire (Mr Knight) went a little further back in history to the Jesuit, Robert Parsons, to identify the source of the Backbench Business Committee. I do not want to prejudice the consensual nature of the debate by complaining too loudly of the last Government's failure to set up that Committee. It would be uncharitable to blame even the last Leader of the House for making slow progress on an idea that appears to have been some four centuries in the making.

I pay tribute to the energetic way that the hon. Member for North East Derbyshire (Natascha Engel)

[Sir George Young]

has set up the Committee and hit the ground running. I said in the last Parliament that I wanted the Backbench Business Committee to set the first topical debate of this Parliament. In fact, it has done better than that and chosen a subject for a full three-hour debate, and I am delighted that progress is being made. Restoring public confidence in Parliament is one of the ambitions of the coalition. Enabling Parliament to do its job effectively is a key part of that process, and giving the Backbench Business Committee its agenda-setting powers is a major milestone in doing that.

Turning to the motion, allegations that the Government make announcements to the media before making them to the House are not new. This is my 10th Parliament, and I can remember occasions in every preceding one when one of the six Speakers who have sat in the Chair, beginning with Selwyn Lloyd, have rebuked Ministers for continuing that practice. As we have heard, Mr Speaker, you made it clear in your very first statement that

"when Ministers have key policy statements to make, the House must be the first to hear them, and they should not be released beforehand."—[*Official Report*, 24 June 2009; Vol. 494, c. 797.]

I commend my hon. Friend the Member for Kettering (Mr Hollobone) on a first-class speech in moving the motion. If I may say so, he was a little bit tough on those who sit on the Treasury Bench in implying that every Minister in the coalition Government should resign because they had all leaked information to the press, but otherwise, he made his case forcefully and convincingly. There is little doubt that, over perhaps the last 13 years, we have seen a more cavalier approach to the way in which announcements are made than previously. In 1998, the then Speaker felt strongly enough about the Labour Government's consistent and deliberate leaks that she gave a BBC interview outlining her frustration that, although successive Governments had briefed the press before Parliament, it was being done

"far more subtly and professionally"

since the 1997 election.

As my hon. Friend the Member for Kettering and, indeed, other hon. Members have said, Parliament pays a price for that process. We devalue ourselves if the news is being made elsewhere. We therefore risk losing our position as the centre of British national debate. That is surely why the principle that we are debating today is important. The hon. Member for Stretford and Urmston touched on that principle. Again, it was well put by Speaker Boothroyd who said in her farewell address:

"This is the chief forum of the nation—today, tomorrow and, I hope, for ever."—[*Official Report*, 26 July 2000; Vol. 354, c. 1114.]

We are elected here to scrutinise the Executive and to hold Ministers to account on behalf of our constituents. It is therefore crucial that Ministers explain and justify their policies in the Chamber in the first instance.

John Mann: I thank the right hon. Gentleman for generously giving way. Does he agree that, if the motion is passed tonight, the scale of the offence of any Minister who transgresses is significantly higher than it would have been in the past?

Sir George Young: It was a serious offence before this debate and it will remain a serious offence afterwards.

The Government await with interest the recommendations of the Procedure Committee, especially in relation to the ministerial code, which has already been cited. Among other things, the code provides:

"When Parliament is in session, the most important announcements of Government policy should be made in the first instance, in Parliament."

Since the start of this Parliament, the Government have made 20 oral statements and 189 written statements, which is an average since the Queen's Speech of nearly three oral statements per sitting week and nearly seven written statements per sitting day. On top of that, we have answered five urgent questions. In this Parliament, there have already been a total of 214 announcements to the House over 30 sitting days, so I hope that the House accepts that as evidence that the Government take the code seriously.

Even with the best endeavours, as we have heard, leaks to the media can occur before announcements are made to the House and without the connivance of Ministers. For example, as the hon. Member for Plymouth, Moor View (Alison Seabeck) said, the whole of the 1996 Budget found its way to the *Daily Mirror*. The then Chancellor decided that there was nothing much that he could do about it and took his whole team to an Indian restaurant—a characteristic response from my right hon. and learned Friend the Justice Secretary. As my hon. Friend the Member for Kettering said, when things have gone wrong in this Parliament, Ministers have come to apologise.

The code says that the "most important announcements" should be made first to Parliament, but as we heard earlier, that gives rise to the question of what the most important announcements are—perhaps the Procedure Committee would like to address that point. However, it is worth pointing out that the code should not prevent Ministers from making observations or comments about policies that have already been announced, and nor should it mean that we cannot make speeches or give interviews outside the House. My right hon. Friend the Secretary of State for Business, Innovation and Skills was criticised last week for comments that he made about the graduate tax in a television interview, but as I told the House last Thursday, there was no policy change because the question of a graduate tax had already been referred to Lord Browne's review by the previous Government. In my view, my right hon. Friend was taking part in the entirely legitimate debate that is developing outside the House.

Stephen Pound: Not for the first time, the right hon. Gentleman is shining the light of clarity on the particular problem before us. He talked about the seven or eight written statements that are released each day and the many oral statements, but how on earth can we come to a situation in which somebody somewhere is tasked with deciding what is "the most important"? A written ministerial statement was made today on the 2013 review of the Rural Payments Agency, but I would say that that is probably not the most important—*[Interruption.]* I am sorry; I mean in the scale of things to be reported to the House. Will the right hon. Gentleman consider introducing a system such as colour coding under which we could have different gradations of statement, meaning that some could be laid before the House while others would have to be presented from the Dispatch Box?

Sir George Young: I accept the argument that we need a gradation. In a sense, we have that already because we have oral statements and then written ministerial statements, and then I suppose we have press releases put out by Departments. However, it would be helpful if the Procedure Committee could shed some light on the key question of what should trigger the obligation for a Minister to make an oral statement to the House about a major announcement of policy because Ministers, more than anyone else, are anxious to stay within the rules.

The debate gives us the opportunity to stand back and think radically about statements and their role in our agenda. Going back a few decades, the Government made statements to the House because that was the prime means of distributing information to the nation. Life today could not be more different. There are more platforms than ever for the Government and others to communicate with individuals or communities, so the terms of trade have completely changed. It is right for the Procedure Committee to have a fresh look at the rules, which is why I will support the motion.

If the motion is agreed, I propose to submit a memorandum of evidence to the Procedure Committee on behalf of the Government, and at this point I would like to make a point that has not been raised before. In the past three Parliaments, such an inquiry would probably have been carried out by the Modernisation Committee. That Committee was chaired by the Leader of the House, and if that had been the route by which a recommendation had been agreed, the Leader of the House would have submitted a report to the House of Commons. One only has to think about that for 30 seconds to realise that that is entirely the wrong way to set about the issue. That is why it was absolutely right at the beginning of this Parliament not to re-establish the Modernisation Committee, chaired by the Leader of the House, but to ask the Procedure Committee to take on board agendas that the Modernisation Committee would previously have taken.

Let me briefly touch on a few ideas that the Procedure Committee might look at. The Wright Committee said that statements could be taken at a different point in the parliamentary day, and one has to ask whether 12.30 pm or 3.30 pm are the only times for statements. Is there a way of insulating time taken for statements from the time allocated to the business of the House? For example, Governments are sometimes reluctant to make statements on Opposition days because that eats into the time to which the Opposition are entitled. Could statements be shortened by having a yet tighter limit on the time that Ministers' take, or by releasing the text and relevant papers in advance so that the House might proceed to question the Secretary of State, rather than have the statement read out?

It would also be helpful if the Procedure Committee were to consider whether the earliest opportunity for issuing written statements might be brought forward. Not everyone is on the estate by 9.30 am, but I am sure that a good number are in their offices even earlier than that, and if the timing of written statements is brought forward, it should be accompanied by a system of making those statements available to Members either electronically, by e-mail, or by posting them on the parliamentary intranet. To put that into context, Select Committees release many of their reports at one minute past midnight.

Finally, I have already given a commitment to consider new procedures for the launching of Select Committee reports on the Floor of the House. There is no reason why Ministers should have a monopoly on making statements to the House; Select Committee Chairs should also have that privilege. I had intended to write to my right hon. Friend the Member for East Yorkshire (Mr Knight), inviting the Procedure Committee to consider how that recommendation could be implemented. However, as the proposal has something of the nature of a ministerial statement, perhaps the Procedure Committee will be able to include it in the scope of the inquiry that is before the House this evening.

Mr Bone: The Leader of the House is making a very important speech, but why does the practice, which the previous Government introduced, of announcing statements in advance on the Order Paper seem not to happen now?

Sir George Young: My hon. Friend makes a good point. I think that we have done that once during this Parliament, but I agree that it would be helpful if, so far as is possible, the House were given advance notice that a Minister proposed to make an oral statement.

I hope to be able on Thursday to make further announcements about time for Back Benchers' debates. Those debates are part of a process of moving towards a fully established House Committee, which we are committed to establishing in three years' time. Together with other reforms that either have been recently introduced or are under consideration, they will make this Parliament one where the terms of trade tilt back towards Parliament and away from the Executive, and oblige the Government to raise their game. This Government welcome that challenge.

8.58 pm

Ms Rosie Winterton (Doncaster Central) (Lab): This is an historic debate, and I pay tribute to my hon. Friend the Member for North East Derbyshire (Natascha Engel) for chairing the Backbench Business Committee, and thus helping to bring forward the subject of this debate. It is an excellent subject, because it goes straight to the heart of the relationship between Parliament and the Executive—and inevitably, as hon. Members have already pointed out, the relationship between Parliament, the Executive and what are nowadays the 24-hour media.

I congratulate the hon. Member for Hollobone—*[Laughter.]* Sorry, not Hollobone. It is Mr Hollobone, the Member for—*[Interruption.]* Kettering. Mr Kettering, the Member for Hollobone—brilliant. He made a very good opening speech, and, as the current Deputy Leader of the House said before the election, Ministers should remember that

"their first responsibility in terms of information is to the House and nowhere else".—[*Official Report*, 3 July 1998; Vol. 315, c. 657.]

The Leader of the House also once said that leaks were a

"short circuit of the system".—[*Official Report*, 12 July 1999; Vol. 335, c. 28.]

It is also true that Members have claimed that all Governments have been guilty of bypassing Parliament. I am being entirely helpful and non-partisan when I say that the Government have managed to pack some spectacular examples into their 10 short weeks of power. As the hon. Member for Kettering said, that is not a

[Ms Rosie Winterton]

good start, and as my hon. Friend the Member for Plymouth, Moor View (Alison Seabeck) said, we need to remind ourselves of such issues.

I merely want to help hon. Members—particularly the hon. Member for Kettering, as he puts together his resignation list. The Home Secretary was forced to come to the House to apologise for giving the media a statement on the immigration cap that was meant for the House. The Secretary of State for Education briefed his plans for schools to the media, then, as we know, was forced to apologise for inaccuracies; I think there were five revised lists in the end. The Secretary of State for Health briefed the media on the NHS operating framework and on NHS reorganisation. Downing street seems to have briefed the entire Queen's Speech to the media. Meanwhile, the Secretary of State for Justice briefed on prison reform and the Chancellor of the Exchequer briefed on spending cuts, financial reform and specific figures in the Budget. Today, an urgent question meant that a Treasury Minister had to come to the House to explain the structure and approach of the Office of Tax Simplification.

Adam Afriyie (Windsor) (Con): Has the right hon. Lady got a dossier on the number of leaks from the previous Labour Government? Does she have a number to compare with?

Ms Winterton: I do not have an exact number, but I do not think that the previous Government gave a statement meant for the House—an actual, written statement—to the media in advance. Furthermore, the leaks of the specific Budget figures and the entire Queen's Speech were pretty spectacular.

All that shows that there is much work to do. That is why I welcome the motion, and the fact that the Leader of the House has indicated his support. The motion rightly refers to the action that you, Mr Speaker, have taken to make it clear to Ministers that they should make statements to the House before they are made elsewhere. Right hon. and hon. Members' welcome for that has already been reflected in the debate.

The motion also refers to the ministerial code and the rules of the House. I am sure that the Procedure Committee will want to look at whether the code and the relevant House rules reflect the reality of the pressure of the 24-hour media. That issue has already been touched on. How can we ensure that Ministers are not tempted to try to fit in with the media timetable rather than the parliamentary timetable? Some interesting suggestions have been made about meeting earlier, but unless we can get Ministers out of the "Today" studios, we will have to start meeting at about 5 in the morning. We need to consider that issue closely, but I certainly welcome the fact that the right hon. Member for East Yorkshire (Mr Knight) has said that the Procedure Committee will get full scale on to the matter.

We should also face the fact that there are those in the media who think that they are perfectly capable of cross-examining Ministers, so what is all the fuss about Parliament? However, as the motion says, it is essential for our democracy that Back Benchers—and, I would add, Opposition Front Benchers—should be able to hold the Government to account and quiz Ministers on what Government policy will mean for their constituents. I am not thinking of how journalists might quiz Ministers; Members have knowledge of how policies will translate at constituency level.

The fiasco over Building Schools for the Future was properly exposed only because Members of Parliament—on both sides of the House—looked closely at the numerous lists that were produced, and in many cases spotted the mistakes. That was an important part of the role of Members of Parliament in coming forward to Ministers and asking and probing them about things. I predict that exactly the same will happen in relation to some of the changes proposed in the NHS when they are examined closely in practice at constituency level. As my hon. Friend the Member for Stretford and Urmston (Kate Green) said, these are huge policy changes that will hugely affect our constituents, and Members rightly want the opportunity to quiz Ministers as soon as they are announced.

With the Conservative-Liberal Democrat Government, it is even more important for us to hear announcements here, because we have a coalition agreement that is pulling together policies from two manifestos, sometimes with a bit more put in, sometimes with a bit left out, so it is often unclear whether a policy was one that people voted for or one that was part of the coalition agreement. That adds a new dimension to what we are discussing.

We welcome the idea that the Procedure Committee should look into whether the rules of the House could be better used or changed to ensure that Ministers make statements here. Following the speech by the right hon. Member for East Yorkshire, I have great faith that he is going to look into that thoroughly, perhaps even with the help of my hon. Friend the Member for Bassetlaw (John Mann).

I hope that the Committee can also consider the issue of Ministers making statements in the House, but then retracting them outside without necessarily coming back to the House to do so. Earlier today, we heard my right hon. Friend the shadow Secretary of State for Business, Innovation and Skills raise a point of order about an example of this. In the House, the Deputy Prime Minister and the Prime Minister accused the directors of Sheffield Forgemasters of being unwilling to dilute their shareholding and said that that was one of the reasons why the Government cancelled the £80 million loan. However, the Deputy Prime Minister has since written to the chief executive of Forgemasters acknowledging that he knew that the chief executive had offered to dilute his shareholding. It seems that we have no ability to ensure that either the Deputy Prime Minister or the Prime Minister must come to the House to withdraw their previous comments. Perhaps the Committee could provide guidance on that.

I welcome the support that the Leader of the House has given to the motion. I hope that in the meantime, before the Procedure Committee makes any recommendations, he will impress on Ministers the need to come to the House before announcements are made elsewhere. I hope that this excellent debate will emphasise to Ministers that Back Benchers—and, for that matter, Opposition Front Benchers—regard this as a crucial issue for Parliament. It is not just about keeping MPs happy; it is about a vital way for us to represent our constituents. In that spirit, we should all thank the Backbench Business Committee for making this the subject of its first debate, and thank the hon. Member for Kettering for the motion before us.

Several hon. Members *rose—*

Mr Speaker: Order. It might be helpful to the House if I remind Members that this debate has to conclude no later than 10.34 pm, so we have 85 minutes left. The debate will, very properly, be wound up by the Chair of the Backbench Business Committee. I have had indications from seven further Members that they wish to contribute; right hon. and hon. Members are quite capable of doing the arithmetic for themselves.

9.9 pm

John Hemming (Birmingham, Yardley) (LD): Thank you, Mr Speaker; I make that about 10 minutes.

What is interesting about the current situation is that if the Procedure Committee comes up with proposals for change, it will not have to beg the Government for time to have them debated but can simply pass them to the Backbench Business Committee so that it can table a substantive resolution to change the rules of Parliament. That system, which most representative bodies have, is a key change.

The Leader of the House was entirely right not to recreate the Modernisation Committee, not least because it was the wrong process: Parliament, not the Government, should run Parliament. I was on the Modernisation Committee. I like these procedural matters, and I happen to be on both the Backbench Business Committee and the Procedure Committee, not because I am a glutton for punishment so much as because procedure is the key way of enabling us to do things.

My memory may not be entirely right, but I believe that the last time the Modernisation Committee met was some time in late 2008. The Opposition's view was that at that point Parliament was modern, so there was no reason for the Committee to continue meeting, and it ceased some time before the general election. However, we are now in a situation in which Parliament can assert itself to take power on behalf of the electorate. That is the key change. We are the voice of the people, and it is our job to do that.

Other changes will come through. One matter that the Procedure Committee considered in the previous Parliament was what we do when the Government fail to answer a written parliamentary question. Under the previous system we could either ask it again, which did not generally work very well, or put in a freedom of information request. That was an absurd situation, and the Procedure Committee decided to establish a process whereby hon. Members could go to that Committee and say, "This question has been inadequately answered." I hope that we will consider that matter as the second item on the agenda, because I agree with the right hon. Member for East Yorkshire (Mr Knight) that Parliament has to reassert itself.

I would go a bit further than that. We need to recognise that according to article 13 of the basic constitutional law of the UK, the Bill of Rights, Parliament is here to redress all grievances. That means that we are here to speak on behalf of our citizens wherever problems exist, whether they be in this country or around the world, in the judicial system or in the Executive. Over time we might move more towards the separation of powers, or we might simply stay as we are, but it is crucial for Parliament to assert itself as the voice of the people, and in doing so, bring Parliament closer to the people.

That requires relatively nuisance-like people such as me to do things that are perhaps not exactly what our party would like us to do—especially with mine in a coalition Government—and to raise embarrassing matters. That actually strengthens the whole process of government, because when we ask difficult questions it may mean that civil servants are empowered to say to the Government, "Well, actually, this isn't necessarily something that you should do. Perhaps if you do it slightly differently, that will be a better way of running the country."

I have often described the way in which we run this country as like driving a car and trying to avoid a car crash by looking in the rear view mirror at the car crash that happened two years ago. Many times when things go wrong in this country there is complete quiet. Then, after a year, a lot of people make a bit of noise but nothing happens. After a bit longer even more people make a noise and there is an inquiry, which finds that there was a real disaster some years before. Parliament needs to get more upstream in that process, so that problems are raised in Parliament as they arise and the Government answer, giving the truth about what is happening.

One thing that shocked me when I came to the House from Birmingham city council was how out of date the information to which parliamentarians had access was. Even as an opposition member of the city council I was used to knowing—

Mr Speaker: Order. It is always a pleasure to listen to the hon. Gentleman, but I must ask him to focus on the terms of the motion, specifically the question of information on Government statements and ministerial accountability to the House for statements made.

John Hemming: Thank you, Mr Speaker

This is about questions and information. The reality is that we are now moving towards improving how the House holds the Government to account. Like the right hon. Member for East Yorkshire, I should avoid going into too many details on the possibilities, because I still hope to be on the Procedure Committee—if it is ever set up. If the Opposition are interested in matters of procedure and if they cannot find Labour Members to sit on that Committee, why cannot the hon. Member for Perth and North Perthshire (Pete Wishart), who is a musician, replace another musician and former Labour Member who was defeated at the election? We need to constitute the Procedure Committee.

Sir Peter Soulsby: I had the pleasure of serving with the hon. Gentleman on both the Modernisation Committee and the Procedure Committee, and I share his frustration that the latter has not yet been established. Given the importance of the matter before us, does he agree that it is vital that that Committee be established, and up and running, before the summer recess?

John Hemming: That is crucial. If the Labour party cannot find someone in its midst to sit on that Committee, it should approach the minority parties. I am sure that a minority party Member would like to do so. The minority parties often complain that they are unable to sit on Select Committees.

Mr Knight: I cannot vouch for this 100%, but I heard a rumour that the Committee of Selection might determine the membership of the Procedure Committee tomorrow.

John Hemming: That is excellent news. If the House is to refer something to the Procedure Committee, it would help if that Committee existed. That brings me to the point made by the hon. Member for Bassetlaw (John Mann), which is that this matter requires detailed consideration—we cannot simply pass a resolution and sort everything out.

We need to identify the details and a protocol, and Ministers need guidance on what is sufficiently important to warrant this or that process. We need guidance on when information should be released and made available to the outside world and hon. Members via e-mail or the Vote Office. I do not know exactly how long it takes for information that is placed in the Library to be put on the website. Many important issues need to be considered, as we saw in connection with the Building Schools for the Future announcement, when questions were asked about when information ought to have been released. Such questions must be dealt with in great detail.

If Ministers do not wish to follow the guidance, we must think about sanctions. Obviously, we have the power under our inherent jurisdiction over contempt of Parliament to refer Ministers to the Standards and Privileges Committee. Many strange sentences have been passed for such contempt in the past, such as sitting on a horse backwards or getting locked up in Big Ben. We need not necessarily go that far, but we need some form of sanction. We need to look at all the processes that ensure that the House can operate as the voice of the people.

I have come roughly to the end of my 10 minutes. As a member of the Backbench Business Committee and a former member of the Procedure Committee, I am very pleased to see this first substantive motion. It has been driven by Back Benchers to ensure that Parliament asserts itself without having to say, "Pretty please" to the Government.

9.18 pm

Mark Durkan (Foyle) (SDLP): As a minority party Member, I am of course disqualified from membership of the Backbench Business Committee, but happily, I am not disqualified from participating in the debate, which so far has involved many of the Members who have worked very hard on that Committee.

The Leader of the House helped us by canvassing suggestions as to where we might go from here. It is important to use the motion not just as a "wailing wall" exercise to talk about every past transgression on statements, or to compare how many press briefings this Government give compared with the previous Government. There is guilt all around, so we need to consider how we go forward. If the motion is passed tonight, it will go to the Procedure Committee, but what will it do?

One basic problem touched on by the right hon. Member for East Yorkshire (Mr Knight) is that the ministerial code as such is deemed to be in the charge of the Prime Minister as opposed to the House. One of the things that I would want to see the Procedure Committee do is to draw up a House code of accountability that would apply to Ministers and to Select Committee Chairs if making statements or bringing serious matters—that they have investigated or have made recommendations on—to the attention of the House. A clear House code of accountability would get past the circular argument that takes place whenever hon. Members make a point of order about the lack of a statement—or the alleged inaccuracy of a statement—and then you say that it is not a matter for you, Mr Speaker. In the end, Ministers are meant to be accountable to Parliament, but there is no accountability when these things go wrong. A clear House code of accountability would help us to achieve that.

Fiona Mactaggart (Slough) (Lab): Does my hon. Friend agree that if there were to be such a House code, it should look at mechanisms to deal with the situation in which, however inadvertently, Ministers mislead the House—as a Minister did when he claimed that my local authority had only 2% cuts—or do not answer questions when asked? We do not have a proper remedy in such circumstances, which are all too common at present.

Mark Durkan: I accept what my hon. Friend says. However, I doubt that a new House code of accountability would be able to cover all these issues. It would have to be more like a highway code than an exhaustive and comprehensive law that was specific in all cases. On the basis of case law and application, it could improve, and then Ministers would not be able to claim that they were in any doubt about what it required.

We must also be careful, as Back Benchers who want to ensure that announcements are made in this House rather than being pre-spun to the press and elsewhere, that we do not end up complaining that too many statements are being made and we do not have enough time to spend on substantive legislative business. For another couple of months, I will carry on serving in another Chamber, and that is a common complaint there. We have too many set-piece statements that do not amount to very much and people find it hard to see anything key, important or new in them. Those three words have all been used at various times to describe the test for whether statements should be made in this House.

I sat on the Benches opposite during the last Parliament and heard many statements that did not contain much new. It might have been that the Prime Minister wanted to identify himself with a policy, but the policy itself was not new, and at times we wondered why statements were being made. While we want to press the point that statements should be made in this House rather than being presented through the media or at other set-piece events, we do not want to end up in a ridiculous situation.

The Leader of the House made some useful suggestions. We should not always have oral statements with up to an hour of questions. Often the questions become repetitive and, just as Minister's statements are accused of spin, so too the questions and the replies can be accused of counter-spin. It cuts both ways. Are there intermediate arrangements that we could have between a written statement, which involves no questions or time for questions, and an oral statement accompanied by a lengthy opportunity for questions? My hon. Friend the Member for Ealing North (Stephen Pound) referred earlier to a possible gradation of statements. As the Leader of the House suggested, if a statement were

available in writing, it could then be the subject of questions without the statement being rehearsed in the House.

Stephen Pound: When I made that intervention, I may have unwittingly caused offence to certain Members representing rural constituencies. The point I was trying to make was that a review such as the 2013 review of the Rural Payments Agency surely is not in the same scale of immediacy as some of the other statements, such as on the implementation of the Bribery Act 2010. Does my hon. Friend accept that we could have a code of prioritisation on this, perhaps even a hierarchy of needs?

Mark Durkan: I fully agree with my hon. Friend, although as always the question will be: who makes the judgment, who makes the call? However, so long as people think that an honest judgment has been made and a fair call attempted, the House would be broadly satisfied. It should always be the case that, if a written statement is made without the chance for questions, there should perhaps be a business slot early in the following week in which people can, if they want to, ask questions about a statement. Perhaps there should be an opportunity for questions to be asked about all the written statements made in the previous week.

I do not understand why the House does not sit until half-past 2 on a Tuesday. I understand the argument on the Monday—that Members are travelling from constituencies and want to spend the weekend with their families in their constituencies—but I do not understand why we wait until half-past 2 on a Tuesday. There should be more early-day business, perhaps on Tuesday, and in fact one window for early-day business could be specifically for ministerial statements. That might be an opportunity for people to have a round-up of free-ranging questions about matters that were the subject of written ministerial statements the previous week, and Ministers would have to be available on that basis.

As I understand it, in the Scottish Parliament, Ministers have to be available to answer questions on a fairly free-ranging basis. We could have a special question time slot—it could be done Westminster Hall-style—in the Chamber almost as a special committee of the House, if we do not want to transgress on to other things. There are ways and means to ensure that, even if a statement is tabled in the first instance as a written statement, we can ask questions about it and hold people to account, so that the procedure of the written statement is not abused. That applies to some of the issues raised by other Members about the hours of the House and the times at which we sit.

It is important to have better advance notice of statements. Again, the Leader of the House was helpful when he said that perhaps more work could be done to ensure that there is advance notice of oral statements. I sympathise with my hon. Friend the Member for Stretford and Urmston (Kate Green) who spoke as a new Member on this point. It is bizarre that we can find in our papers all written ministerial statements, which we cannot question, for that day, but nothing about oral statements, unless we have been listening to the radio and have guessed what topics are likely to be the subject of oral statements. If we could have more advance notice, it would help us in our preparation of questions.

We need to ensure, however, that we have a good balance in what we ask of the Government, because we do not want the business of the House to become dominated by set-piece statements and questions. We also want live debates and good interaction in those debates. I appreciate why the Backbench Business Committee has singled out this issue for the first debate under its lead—it is correct in the light of recent experience and also experiences in the previous Parliament. However, with everybody making accusations, we should bear in mind one of the wisest adages I have ever heard about politics: irony in politics is just hypocrisy with panache. Hearing many of the complaints that each side of the House is making against the other about what different Governments have done reminds me of that. We need to remember that Back-Bench Members are not free from sin either.

9.29 pm

Jane Ellison (Battersea) (Con): Thank you, Mr Speaker, for allowing me to make a brief contribution to this debate, as the only member of the Backbench Business Committee from the new intake—a representative, if you like, of what the hon. Member for Stretford and Urmston (Kate Green) called the geographically and procedurally lost in this House. The other reason why, as a new Member, I stood to serve on the Committee was that, like many new Members, I fought long and hard to get to this place. It is the greatest honour of my life to be here representing the people of Battersea. I want this House and this Parliament at centre stage, at the heart of national life.

In the brief time that I have been here, I have been struck by the breadth of knowledge that exists among Back-Bench colleagues in all parts of the House. It would do much for the reputation of this place if that knowledge were given wider prominence, which is something that might be more possible if the attention of the nation and the media were focused more on the statements to which Back Benchers can respond. Instead, much of that knowledge and expertise is heard at times when very little attention is paid to the House.

A number of Members have referred to the demands of the 24-hour rolling news media. The situation is difficult, because although it would be very easy—and right—to condemn policy leaks to the media, the practicalities of delivering on that are not that straightforward, as we discussed a little bit in our Committee. Although it would be tempting—some Members this evening have been very tempted by this—to dream up draconian punishments for Ministers on the spot, what we need is a well-thought-through, workable protocol that Ministers understand and, crucially, can use to drive a culture change in their private offices and Departments. This issue is not just about Ministers; it is about a whole culture of government. We need to ensure that the mantra is changed from "In the Loop" to "In the House" —*[Interruption.]* Hon. Members heard it here first.

Let me close by making a point that I do not think has been touched on in the debate so far, concerning the responsibility of the Opposition. This point would be the same whoever was in government or opposition, but to some extent it has been a little too easy to sit and nod, and to see this issue as an open goal or a way to kick the Government of the day. However, if the new approach is to work, it will also make demands on the

[Jane Ellison]

Opposition. I will leave hon. Members with this thought: we will know that the new approach is working when a journalist says to an Opposition Front-Bench spokesman, "We've heard that such-and-such might be announced today, and we'd like you to comment," and the shadow spokesman says, "I will wait for the Minister's statement and respond in the House." I commend the motion to the House.

9.32 pm

James Morris (Halesowen and Rowley Regis) (Con): As another new Member, I want to reflect on some of the fundamental principles that the motion that we are debating represents. It raises some fundamental questions about the nature of our parliamentary democracy and the role of Parliament in modern society. Why is this evening's debate and the motion moved by my hon. Friend the Member for Kettering (Mr Hollobone) so important? All hon. Members would recognise that the gap between this place and those who elected us here—between Parliament and ordinary people—has grown into a chasm over the past few years. That is why this debate is so important.

In my first few weeks as a Member of Parliament, I have spent time reflecting on what my constituents want me to do in this place. Clearly, the people of Halesowen and Rowley Regis want me to stand up for their interests. However, having spent time on the doorstep during the election, I believe that there is also a sense among our constituents that, despite all their cynicism about Parliament, they want this place still to be the place where big decisions are made and where the life of the nation is debated. They want us to hold the Government of the day to account and to ask difficult questions that probe and challenge them. I believe that, despite their reservations, our constituents want Parliament to reassert its role as the custodian of the national interest, which is why I believe this evening's debate is so important.

However, I recognise that, as other right hon. and hon. Members have said, there are difficult challenges with reinstating the principle that Ministers should come to Parliament to make their key announcements. As other hon. Members have pointed out, we are living in an information age, when information is spread around the world and around this country at high velocity, and where social networking sites can instantly produce informed—or sometimes not-so-informed—debates about the issues of the day. We have Twitter and blogs, and, as others have pointed out, we have a 24-hour media culture that demands instant comment. It is insatiable in its desire for instant comment.

Modern democracy and this Parliament sit in a world that is moving forward at a frenetic pace. Some developments of the information age that impact on the processes of Parliament are positive. We have a more informed public, for example—a public who are better able to access the workings of government. We have a much higher degree of transparency about the workings of government and Parliament, but there is much more to do.

I welcome my hon. Friend's motion. It raises questions about how to reinforce and develop the traditional role of Parliament in the context of the modern world that I have described. Parliament must still play—it has to—its traditional role of holding the Executive to account. It is in the nature of the debates we hold in this House—tonight's is a particularly good example of Parliament in action, where there is some degree of cross-party consensus about the issues—that the very act of having elected representatives interacting in a civilised way can act as a check against this frenetic pace of the debate going on in the outside world where information moves around so quickly.

I conclude by recognising, as I think all hon. Members would recognise, that we cannot turn the clock back to some kind of golden age in which Parliament is, as the Leader of the House said, the main channel of communication out to the nation. Those days have gone. However, Parliament needs to reassert its traditional role—I view this as an important part of my role as a new MP—as the place where important matters are debated and where the Executive are held to account. That is why I will support my hon. Friend's motion.

9.38 pm

Stephen Pound (Ealing North) (Lab): Any debate that runs the gamut from Pericles to Jimmy Thomas, those two great statesmen, has to be fascinating, but I think we are in the unusual situation of all agreeing on the problem, but none agreeing on the terms of the solution. It is part of the legend of this building that when that glorious fresh, clean and energetic Government of 1997 swept into power, we set up something called the Modernisation of the House Committee, which after a very short time was suspected of going so native that there was a move to set up a "Modernisation of that Modernisation of the House Committee Committee"! Whether that happened or not, I do not know, but change was slowly achieved.

What we need to ask ourselves is: what would be the consequence of a self-denying ordinance linked to a structural series of procedures—a protocol—on the Floor of this House? We need to realise that Ministers would immediately lose control of the agenda; they would actually lose control of news management—the one thing that Ministers hold close to their breasts and near to their hearts, the one thing that they love above all, which is to control the information grid. They would lose it.

I invite hon. Members to picture the scene, lean back and close their eyes; it is something that often happens when I am speaking, but on this occasion, they can do so with my approval. The Minister rises at 3.30 in the afternoon. She or he starts to make a statement. In simpler days, that statement would be followed by comments from the Opposition, and then, when the Liberal Democrat stood up to speak, everyone would leave. When they arrived at St Stephen's entrance, they would find the place surrounded by the rapacious reptiles of the press, who would have been interviewing people on the Minister's statement while the Minister was still speaking.

We need to arrive at a point at which a self-denying ordinance is accepted. I am no friend of the tradition of Cromwell, the butcher of Drogheda, and in any event he experienced a degree of failure in forcing the principle on his own people; but were we to achieve that, at some stage—be it on the "Today" programme, Nick Ferrari's programme on LBC, or any other medium—a Minister

of the Crown would have to say to an interrogator, "I cannot answer that question, because I have not made a statement to the House."

The thought of my ever becoming a Minister is a flight of fancy too far, but were I ever to be in such a position—and I have to say that on occasion my mind has roamed in that way—and were a constituent to ask me, "What will you say tomorrow about the terms of reference for the Commission on the Funding of Care and Support?" I would have to say to that constituent, "Sorry, I cannot tell you, because I must make a statement to the House." A lot of constituents would ask, "Who comes first, parliamentarians or the people?" That is the degree of the disconnect between us and the public at the present time. So if we are to do this, we must somehow divide the day-to-day reports, the annual reports and the regular reviews that could be placed in the Library from statements of this particular kind.

We must accept that at some stage a parliamentarian—a Minister—will do the unheard of, the unprecedented, and say to an interviewer on the radio or television, "No, I cannot answer that question." Once that has happened, a whole new set of terms of reference—new terms of trade—will have been established, and we will be moving in a different direction. Until we have done that, there will always be the pressure—and sometimes it will be unbearable—to imply that the Minister does not know the answer to the question, when in fact the Minister is rightly saying, "I do know the answer to the question", but it would be inappropriate and disrespectful of Parliament for that Minister to give that answer there and then.

That is why I have concluded, reluctantly, that we must consider the issue of sanctions. I rather like one idea, although I do not necessarily favour the decapitation of the entire Front Bench suggested by the bloodthirsty Member for the constituency formerly known as Kettering, but now for ever to be known as Hollobone Central. You, Mr Speaker, know more about the ways of this building than most. I cannot recall the last occasion on which a miscreant Minister was dragged to the Bar of the House. Dragged to the bar, maybe, but not to the Bar of the House. What better, what more salutary example could there be of the power of Parliament for the people—not for Parliament, but for the public, for the people—than some shivering Minister trembling at the Bar, looking around sheepishly, aware of the dreadful calumny that has been perpetrated, and excoriated by Members on all sides? Would that not be delicious?

I think we must seriously consider that option, or perhaps another. It was suggested earlier that placing someone backwards on a horse would be entirely acceptable. Indeed, listening to one of my speeches might be painful enough. However, we must accept that the problem is here for all to see. The solution is for us to define. We have some way to go tonight before we define it, and I fear that when we do define it, we cannot do so in isolation from the issue of sanctions.

This has been an extraordinary debate. Whatever happens from this day on will be different, because tonight marks a watershed. I salute the new Backbench Business Committee and its magnificently able, intellectually brilliant and gifted Chair for leading us in this direction. Things will never be the same again; but how they will be, and what they will be, is up to us tonight.

9.45 pm

Glyn Davies (Montgomeryshire) (Con): Thank you, Mr Speaker, for calling me to make my maiden speech in this very important debate on both the role of Back Benchers and, most importantly, how we can protect the power and authority that this Chamber has had throughout several centuries of our history.

First, I must say that I am very relieved that I managed to arrive here to make my maiden speech without incurring any serious injury. The first time I sought to catch your eye, Mr Speaker, was during the Queen's Speech debate. I moved on quickly, however, because my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) had secured a debate in Westminster Hall on an issue of interest to me, and I quickly wrote to tell you, Mr Speaker, that I would like to speak in it, but then, unfortunately, my hon. Friend had to go to hospital for a couple of weeks. I hope that that was not a result of my desire to speak, but I suspect that it might have been because a fortnight later I asked if I could speak in the debate on the emergency Budget only then to finish up in hospital myself for a week. I am relieved to arrive here undamaged on this occasion, therefore.

It is a convention that Members refer to their constituency in their maiden speech, and I would like to do that. Montgomeryshire is a beautiful constituency, and I have lived there all my life. Indeed, although my family encouraged me to move away, I always resisted because I simply love Montgomeryshire, especially its uplands. That love is what led me to become president of the Campaign for the Protection of Rural Wales for the last few years, a position I have had to relinquish since becoming a Member of this House.

Montgomeryshire is also a culturally diverse constituency, where the Welsh language plays a very important part. It is probably the dominant language in a third of the constituency. When I was elected as a Member of Parliament, my first seven words were in the Welsh language. I said:

"Dur i'n falch gael fy ethol fel Aelod Seneddol dros Sir Drefaldwyn."

Well, perhaps that is 10 words, Mr Speaker, but I knew I might be testing your patience, and I should hasten to explain that that just means that I am very proud to be elected to represent Montgomeryshire as a Member of Parliament. I thought that that was the right thing for me to do in that constituency.

A second convention is that the Member making their maiden speech should refer to their predecessor, and I would like to make reference to more than just my immediate predecessor. I was doing some research and I discovered the most incredible coincidence. I thought I was the first person in my extended family ever to have any interest in politics, yet I discovered that in 1880 a certain Arthur Humphreys-Owen, a Liberal Member, owned the house where I live. He was followed by Lord Davies of Llandinam, a very great man in Welsh history, and he in turn was followed by Clement Davies. Some current Members might remember him; he was a great leader of the Liberal party. It is said in Montgomeryshire that many of the Liberal Democrats there voted for me because it was an opportunity for them to vote yet again for a Davies, and that that probably contributed to quite a substantial part of my majority.

[Glyn Davies]

My immediate predecessor was Lembit Öpik, and I want to pay tribute to him. He was a man of great talent in many, many areas of activity—and I must say that in some areas he achieved a level of excellence that I am sure I will not be able to match. He served his constituents very well, however, and I wish him well in his new chosen careers.

I am often asked in the constituency how I have found being a Member of Parliament. Like my hon. Friend the Member for Battersea (Jane Ellison), who is no longer in her place, I have said that it is a wonderful experience to be here; it is a wonderful experience for me to be speaking in this Chamber, representing the people of Montgomeryshire. That is a great thrill, as is being part of what happens in this House.

That brings me to the debate in which we are engaging at the moment. Since I have been here, we have seen some amazing things happen. We have seen two of the great parties of Britain come together to form a dynamic coalition, rising phoenix-like from the ashes and smouldering embers of the Labour party—I am sure that it will be able to recover. It was a dramatic event to have been here in the presence of and to have witnessed.

I sat at the back of this Chamber watching and listening to the statement on the Saville inquiry. I was in some sort of enrapture, because it was a most wonderful occasion. I am certain that it was the sheer power of the words and the speeches that brought that hugely damaging issue to a conclusion that is to the benefit of us all. The reputation and presence of this House, and its historical context in which we speak, helped to solve what was a dreadful scar on our history.

This is a very special place, and I think we probably all know that. Several Members, including the hon. Member for Ealing North (Stephen Pound), who spoke before me, have made reference to the issue of where we go from here. Dealing with that is the next step, because there is general agreement across the whole House that there is an issue that we need to address. I must say that I think it is a matter for the Procedure Committee. We must await its response and take what it says seriously, because dealing with this matter is complex.

There is a temptation for us to move into the realms of various punishments, but I am not going to do that. What I will say—this is the only comment that I wish to make on this matter—is that to be asked to apologise in this House for committing something that we all consider to be a serious misdemeanour is a serious punishment. If I ever became a Minister and such a punishment was visited on me, I would consider that to be a huge blow. All the other punishments would be small in comparison with the damage I would feel to my reputation if that happened. So I do not think that we should underplay this.

I have come to this House to represent the people of Montgomeryshire and my constituency, and to represent Wales, the nation that I love. I have come here to do what I can to protect and enhance the reputation of this House. Contributing to this debate and supporting the intention espoused so eloquently by my hon. Friend the Member for Kettering (Mr Hollobone) at its outset is what I really want to do.

9.53 pm

Chris Williamson (Derby North) (Lab): I pay tribute to the hon. Member for Montgomeryshire (Glyn Davies) for making his maiden speech in what is, in many ways, an appropriate debate in which to get one's spurs. I congratulate him and say well done on that. I particularly enjoyed his tribute to his immediate predecessor; I think that the whole House enjoyed those comments. I was also struck by his reference to Clement Davies, because of a perhaps little-known historical fact. He was leader of the Liberal party at the only time in history when two different party leaders with the same name have fought a general election—I am referring to the great Clement Attlee and Clement Davies. Support for the Liberal party was perhaps somewhat less then than it is today, but perhaps at the next general election its support will return to its rightful place, where it was in 1945.

This is an important debate, and a number of hon. Members from across the Chamber have said that a real problem needs to be addressed. I am a new Member—only elected in May this year—but I have been struck by the number of occasions on which Ministers have been admonished by you, Mr Speaker, and by Opposition Members for repeatedly giving statements to the media and then coming to the House. They have had to apologise for that on at least one occasion. I know that the hon. Member for Montgomeryshire said that that is a particularly strong censure for Ministers and something that he would not wish to put himself through, but it seems as though the current crop of Ministers are not as concerned by the course of action that they might need to take to right the situation. There has seemingly been a willingness to continue merrily along and to give statements to the media despite what has been made very clear by Mr Speaker and by criticisms from the Opposition.

I hope that following tonight's debate, Ministers will take the issue more seriously than they have so far. As a new Back-Bench Member, I believe that the sanctity of Parliament should be paramount and that Ministers should come here before they make statements elsewhere. It undermines my role, in many ways, if I am contacted by the media on issues such as Building Schools for the Future when we have had five different versions of the list of schools that will be affected around the country. I understand that the latest list is inaccurate, too. The way in which that whole issue has been handled leaves a lot to be desired and many hares have been set running. In my constituency, people's hopes have been raised and dashed and raised and dashed and that is not a professional way of going on. Something needs to be done about that.

Chris Skidmore (Kingswood) (Con): Does the hon. Gentleman accept that the Secretary of State came to the House and apologised on that matter, which does not seem particularly relevant to our debate? It was rare for shadow Ministers, when they were in government, to come and apologise and I think that we should accept that that was a genuine apology which was received very well in this House.

Chris Williamson: I am grateful to the hon. Gentleman for his intervention and I freely acknowledge that the Secretary of State came and apologised, but that brings me back to my point: Is an apology or the need to make

an apology a sufficient deterrent? Surely what we want on both sides of the House is to ensure that there is no need for Ministers to come and apologise. As the Secretary of State has been so willing to make an apology on five separate occasions, that undermines the value of that censure on a Minister. If we go back 20 or 30 years, perhaps an apology from the Minister might have been a more significant deterrent than it seems to be today. We need to find an alternative mechanism to ensure that these sorts of concerns and problems do not arise in the future.

I come from a local government background and there is a long-standing tradition about such issues in local government. As a former leader of Derby city council, I know that my most significant announcement as leader would be about the budget and the setting of the council tax, and it would be routine for us to embargo the statement that I was going to make to the council chamber. Perhaps that is something that we ought to adopt in this House: Ministers' statements could be embargoed and that embargo could have some legal force. Perhaps that would be a way of ensuring that the House is treated with the gravitas that, in my view, it deserves.

Mark Durkan: Does that not raise the point that if we took up the Leader of the House's idea of having clearer advance notice of oral statements, the protocol should be that as soon as notice of a statement were given, an embargo would kick in? We would probably then need to change the civil service code as well to prevent leaks and briefings taking place at civil service level rather than from Ministers or Members of the House.

Chris Williamson: My hon. Friend makes a particularly cogent point. That would certainly be a valuable way forward.

I know that all new Governments have a political agenda and want to get their legislation on to the statute book, but I have been struck by the breakneck speed at which the new Administration are seemingly determined to railroad legislation through the House. Perhaps that is one reason why there have been so many leaks to the media. The House is not being given sufficient time to scrutinise legislation. This is a cross-party point; I have heard hon. Members on the Government Benches express similar concerns. The Academies Bill is a case in point: there are significant reservations on the Opposition side, but there are also reservations on the Government side and it is regrettable that measures are being railroaded through by the new Administration despite those concerns.

A cross-party consensus on finding a better way forward seems to have emerged. How long has this Parliament been sitting now? I have been elected for about 10 weeks and I do not know how many times you have been called on, Mr Speaker, through various points of order, to admonish Ministers for making statements before coming to the House. That simply cannot go on; it just is not good enough. We have to find a better way of doing business in the Chamber. I hope that we can find cross-party consensus on that, and I hope that Ministers will take this issue more seriously than they have hitherto. I hope also that they will take the possibilities on board, particularly given the comments of my hon. Friend the Member for Foyle (Mark Durkan) about giving embargoes legal force and changing the civil service code.

John Hemming: I understand that Select Committees frequently issue their reports under embargoes and obviously it is a contempt of Parliament to publish them prior to the embargo. How does the hon. Gentleman think the Opposition would perceive a situation in which the Government issued something under embargo, thereby constraining them from commenting on it?

Chris Williamson: Clearly, Opposition Members would have to pay cognisance to that. If we were to adopt the embargo approach, there would need to be discipline on both sides of the House. If we are to acknowledge that Parliament is paramount and that we should get statements before they go to the media, a degree of discipline would be required on both sides. I believe that there is a way forward.

John Hemming: Is the hon. Gentleman suggesting that the embargo would rest merely within Parliament, which is, in a sense, what currently happens with statements, or that documents could be issued to the media with an embargo on them?

Chris Williamson: Such details would need to be worked out. That might be a way forward, but could we trust the media with an embargo? I am not sure. We would need to consider the issues, work out the detail and find an appropriate way forward by which Parliament would not feel that it was being held in contempt on occasion by the way in which Ministers conduct themselves. As I have said, the strong cross-party consensus on this matter means that the will is definitely there. I simply hope that Ministers will take our concerns on board and that the House can find a better way of doing business so that we do not have the problems that we have seen far too much of in the short time that I have been a Member of the House.

10.5 pm

Mr Peter Bone (Wellingborough) (Con): It is a great pleasure to follow the hon. Member for Derby North (Chris Williamson), who made some interesting points. In some respects, I wish that he had been here in the previous Parliament, because his frustration would have been extreme.

I have been very impressed by all the speeches made by new Back Benchers. It is a great tribute to them and a safeguard that this Parliament really will be the home of democracy. It would be wrong not to acknowledge your presence here tonight, Mr Speaker, for the whole debate, thus giving it added impetus. That is much appreciated, as is the fact that the Leader of the House has stayed here for the whole debate, as has the shadow Leader of the House, who, in one of the most helpful comments, praised my hon. Friend the Member for Hollobone Central for introducing it. I always regard him as my hon. Friend the Member for Kettering (Mr Hollobone), and he introduced the debate in absolutely the right style and manner. In years to come, people will look back to his speech as a reference on this very important matter.

My right hon. Friend the Member for East Yorkshire (Mr Knight) has also stayed here for the whole debate. Of course, we hope, as the Backbench Business Committee,

[Mr Peter Bone]

that we will kick the football to him to look at when his new Committee is formed. While I am praising hon. Members who have spoken previously, it would be wrong of me not to mention my hon. Friend the Member for Montgomeryshire (Glyn Davies). We go back a very long way from my time in Wales. I am pleased to see him in the House, and he will be an active and able Member.

Probably the last hon. Member to speak tonight will be the hon. Member for North East Derbyshire (Natascha Engel), the new Chairman of the Backbench Business Committee. She has got off to an absolutely flying start, and I should like formally to congratulate her on what she has done so far.

It is a great privilege to speak in the first debate to be held by the Backbench Business Committee on what is an historic night. For the first time, it has been left to Back Benchers in Parliament, not the Executive or Opposition Front Benchers, to decide what should be debated in the House on a substantive motion. The hon. Member for Bassetlaw (John Mann) may yet still divide the House, which would be even better, because we would know the number of hon. Members who support the other view to that taken by the Committee.

The motion that we have chosen to debate goes to the heart of readjusting the balance of power between the Executive and Parliament. I want to declare that I will be equally rude to Labour Front Benchers and the Labour Government and to the Conservatives. I will blame them both in equal measure, so there is no partisanship in that.

Under the last Labour Administration, power was increasingly removed from Back Benchers and instead handed to an arrogant, dismissive and control-freak Government. That started under the Blair Administration, with his concentration on public relations and presentation, and got worse under the Brown Administration, when the need to control every minute detail was the rule of the day. As a result of that and other recent events, public opinion of Parliament is at an all-time low. Something clearly needs to be changed.

The big question for the House is whether anything has changed with the new Government. Are they any less interested in PR, presentation and spin? At the very best, the jury is still considering its verdict. I say that partly because I will be highly critical of the Government's failure to put Parliament first in certain respects—in particular, leaking information to the press and other media in advance of announcing it in Parliament—but on the plus side, we have two extraordinary parliamentarians in the Leader of the House and the Deputy Leader of the House, who believe in putting Parliament first and have demonstrated that not only by their statements, but by their actions. It is also quite clear that the Prime Minister believes in making the Executive more accountable to Parliament and increasing the role of Back Benchers. Clearly, the decision to set up the Backbench Business Committee was a prime indication of the Government's support for Parliament.

There are other areas in which the Government have put Parliament first. The Prime Minister made the remarkably self-confident decision to give up the right to choose the date of the next general election, which removes a massive advantage for the Government. Equally, his decision to allow Government Back Benchers—I am delighted that the Chief Whip is on the Front Bench to hear this—to table amendments when scrutinising the details of a Bill in Committee and then to vote in the way in which they think fit, rather than according to the party line, will empower Back Benchers enormously. That will no doubt occasionally lead to the Government losing a vote, but that should be regarded as a victory for Parliament, not a defeat for the Government.

The Government have also supported reform of the Select Committee system, meaning that the Chairs are elected by the whole House rather than appointed by the Whips. Equally, the Government's desire not to programme Bills is a significant advance. Back Benchers will now be able to question the detail of Bills, whereas whole sections of Bills were not discussed during the last Parliament because of programme orders. However, there has been some backsliding on that commitment.

The motion sets out that the most important Government policy announcements should be made to Parliament first, not leaked to the media in advance while Back Benchers are left completely in the dark, because otherwise how are we supposed to ask the most searching questions and properly represent our constituents? It is embarrassing and wholly unacceptable if the local radio station rings up to ask, "What do you think about the statement?" when I did not even know that there would be such a statement and it then tells me what is in the statement so that I can comment. Of course, that has happened under not only this Government, but the previous Government. It makes a mockery of the legislative process when the Press Gallery is packed for relatively unimportant and therefore unleaked announcements, but entirely empty for the most important statements.

There was an exception to that under the previous Government because the right hon. Member for Blackburn (Mr Straw) had a tendency not to leak statements. I remember one occasion on which his statement was not leaked in advance, and the House and the Press Gallery were packed. Actually, the statement was on a Government U-turn, but that showed what could happen if statements were not leaked.

We have heard about the history of Chancellors being fired for leaks and people teeing up on the golf course suddenly to find that they were fired, but I will not go over that. We have also heard many references to your statements, Mr Speaker, on the fact that Parliament must hear statements on important policy first. I remember that the previous Speaker was sometimes so red in the face with rage that Ministers had leaked in advance that I thought that his blood pressure would go through the roof. However, he did not have the success that you have had, Mr Speaker, at getting Ministers to the Dispatch Box to apologise. It was to the great credit of the Home Secretary and the Education Secretary that they did so, but that shows part of the problem, as several hon. Members have said, because however grovelling the apology is, it is not enough to stop the leaking—it continues.

I have spoken to several Ministers and ex-Ministers. They did not want to go on record this evening, but they explained the thought process behind leaking information. It is partly to ensure that the press comments on the particularly juicy bits that Ministers want to get into the media, but it is also because of the news cycle. Ministers want to get information out for the weekend papers and

radio programmes, so they leak it then. On the day of the announcement, they ensure that the statement is again leaked. Then, they appear in the television studios and give interviews on it. It was very hard for previous Labour Ministers to deny that they had leaked a statement when I had seen them on the television discussing it several hours earlier. Finally, they get the benefit of the statement and the comment afterwards, and, until we find a solution—a threat, if the House likes—in order to stop them doing that, it will not end.

I have been very taken by some ideas tonight. The idea from the hon. Member for Bassetlaw (John Mann) of stringing them from the roof was quite novel, but I think that we are against capital punishment. The idea from the hon. Member for Birmingham, Yardley (John Hemming), who is sitting by the Bar of the House, had some attraction as well. I do not know whether the Mayor of London has entered into this debate, but he had Parliament square cleaned last night so that none of the tents and protesters is now there. That large open space is now available, and it was suggested to me that, if we put a large stocks there and the Speaker said that a Minister had to stay in them for several days, that would—I fear, at an instance—stop the leaking. However, I then remembered that it would be against European Union law—although that is another reason why we should go ahead with the idea.

John Hemming: It is against the European convention on human rights, which is to do with the Council of Europe, not the European Council.

Mr Bone: The hon. Gentleman is quite right, but I did not want the truth to get in the way of my having a go at the European Union.

Earlier, we commented on how the matter was taken more seriously in the past, and the better way forward is to refer it to the Procedure Committee. However, I should like to suggest some more practical measures on how we might deal with Ministers who continue to leak.

First, if the Procedure Committee or another Committee thinks that a Minister or their Department had leaked, that Minister should have to go and see the relevant Select Committee. If the Department leaks again, perhaps, Mr Speaker, you could demand that the Minister make a statement. If they leak again, perhaps we could have a yellow-card system. I think that I read somewhere in a newspaper about a yellow and red-card system that had much merit. So, with a yellow card the Minister would be on their last warning, and then they might have a red card, meaning that they would have to resign as a Minister forthwith. That, I hope, would really end the leaking. If we had such a system, or if the Procedure Committee had an ultimate sanction, that would stop the leaks. That is what the debate is about. It relates to a serious proposal to put this mother of Parliaments at the heart of democracy, and until we stop such abuse of Parliament we will never really do our job of scrutinising the Executive.

Sir Peter Soulsby: Does the hon. Gentleman agree that it is important that the Procedure Committee deals with leaks as well as with statements? That is a very small point, but the motion before us refers specifically to "statements". Does he agree that it is important that we also have the opportunity to ask the Procedure Committee to look at leaks as well?

Mr Bone: I am grateful for the hon. Gentleman's intervention, and I entirely agree. I hope that the Procedure Committee will consider a wide range of measures affecting Back Benchers and then make recommendations that the Backbench Business Committee might put on the Order Paper. The great advantage of the new system is that we do not have to wait for the Government to put such business on the Order Paper; we as Back Benchers can do so.

My solution might sound overly harsh, but it is time to stop pussyfooting around the issue, because it is simply unacceptable that Ministers inform the media before Parliament.

Chris Skidmore: The hon. Member for Leicester South (Sir Peter Soulsby) just mentioned the difference between leaks and statements, and that is important. The Minister is ultimately responsible for the statement to the House, but there is a difference between the Department and the Minister, because they are not always in total control of their Department in terms of who is leaking what information. I should be interested to know my hon. Friend's views on leaks and who is responsible for them. Is the Minister ultimately responsible, or would my hon. Friend allow some leeway because somebody else in the Department might be?

Mr Bone: Absolutely not. The Ministers in this Government are completely on top of their Departments and the idea that anyone would dare to leak without their authority is not acceptable.

Let us take a situation as an example. Something is leaked and comes before the Select Committee. The Minister explains that it was not him who leaked, but Joe Bloggs at the Department—who, by the way, has now gone. But if it happens again and again and a fourth time, the Minister really should resign. If we are serious about the issue, that is what should happen.

Sir Peter Soulsby: Does the hon. Gentleman agree that it is important that Ministers take responsibility not only for the overt statements that they make themselves, but for the covert leaks made on their behalf?

Mr Bone: The hon. Gentleman is right. The one thing that this Government have been bad at is leaking covertly; the previous Government could teach this one a lot about that, although I hope that this Government would not take lessons from them.

We have heard a lot about the 24-hour news cycle, and we should take advantage of that. The Order Paper should show that there is to be a statement, for example, on Lords reform, and there should be no leak of that statement. We would know that it would take place on, say, Tuesday at a certain time. I guarantee that the House and the Press Gallery would be packed and that Sky News and BBC News 24 would cut into their programmes and switch their broadcasting to the House to see what was being said. That is the situation that we can and must achieve.

I shall finish now, because most Members want to hear what the Chair of the Backbench Business Committee has to say.

10.21 pm

Natascha Engel (North East Derbyshire) (Lab): I cannot begin to say what a pleasure it is to wind up this debate. It is absolutely historic; it is the very first time that Back Benchers have chosen the subject for debate in Back-Bench time. The number of Members who are here and who have taken part in the debate, when there is a one-line Whip and they could have gone home, is testament to its enormous importance to everybody in the House.

This debate has been historic not just for Back Benchers and those on the Backbench Business Committee but for the hon. Member for Montgomeryshire (Glyn Davies). We all enjoyed hearing his maiden speech. I was delighted that a maiden speech was made in Back-Bench business time, so I thank the hon. Gentleman very much.

This debate is important because it goes to the heart of what we are trying to do on the Backbench Business Committee—that is, address some of the frustrations and anger that Back Benchers have felt for years and years. We want, as Back Benchers, to do our job better, and the job that we want to do is hold the Executive to account. That is important because if we do our job better, the Executive do their job better. It is an absolute win-win; when the Executive do their job better, they make better law and Parliament looks much better to the outside world.

This debate is all about carrot and stick; that is also what the Committee is about, and I hope that we will develop the theme in the future. The carrot is that we would all, especially Back Benchers, do our job better and that we would get rid of the frustration and anger at our feeling that our power to hold the Executive to account, which we should be able to exercise, is being taken away from us. We can do that job and have a better Parliament.

The stick is something that we hope to give today to the Procedure Committee. I thank the right hon. Member for East Yorkshire (Mr Knight), its Chair, for being here throughout the debate and taking note of everything that has been said today. Perhaps he will come back as quickly as possible with the stick—suspension from the ceiling, birching or lynching; we are open to everything. He can bring back the stick and we can have a proper debate about how we as Back Benchers can hold the Executive better to account.

I thank all Members who have taken part in the debate and made sure, with some notable exceptions, that is has been sensible. *[Laughter.]* I am not looking at anyone. We need to start looking at the role of the media and the role of Parliament and at why, over so many years, the problem has got worse and worse. I think that there have been some very sensible suggestions that the right hon. Member for East Yorkshire will take away with him and discuss with the Procedure Committee.

We have been talking about Back-Bench time and Back-Bench business for 400 years. The fact that we are, for the first time, having such an important debate about our modern Parliament is testament to the importance of why we, as a Backbench Business Committee, need to make a massive success of this.

I thank Members from the new intake who have contributed, especially the hon. Member for Battersea (Jane Ellison), who serves on our Committee, and who gave us the soundbite of the evening—"Not in the loop but in the House." That was a fantastic soundbite. I very much thank all Members who have taken part in this debate and in such an absolutely massive, historic event.

Question put and agreed to.

Resolved,

That this House commends the Speaker on the action he has taken over the past year to reassert the principle that Ministers ought to make statements to the House before they are made elsewhere; notes that paragraph 9.1 of the Ministerial Code says that when Parliament is in session, the most important announcements of Government policy should be made in the first instance in Parliament; believes that compliance with this principle is essential for backbenchers to be able to represent the interests of their constituents and hold the Government to account; and invites the Procedure Committee to consider how the rules of the House could be better used or, if necessary, changed to ensure compliance with this principle and to develop a protocol for the release of information.

BUSINESS OF THE HOUSE

Motion made, and Question put forthwith (Standing Order No. 15),

That, at this day's sitting, proceedings on the Motion in the name of Sir George Young relating to Use of the Chamber (United Kingdom Youth Parliament) may be proceeded with, though opposed, until any hour.—*(Miss Chloe Smith.)*

The House divided: Ayes 139, Noes 10.

Division No. 33] **[10.27 pm**

AYES

Alexander, rh Danny
Andrew, Stuart
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Barclay, Stephen
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Berry, Jake
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Bradley, Karen
Bray, Angie
Brazier, Mr Julian
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Bryant, Chris
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burstow, Mr Paul
Byles, Dan
Cairns, Alun
Carmichael, Mr Alistair
Cash, Mr William
Clappison, Mr James
Clifton-Brown, Geoffrey
Colvile, Oliver
Cooper, Rosie
Crabb, Stephen
Crockart, Mike
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Dinenage, Caroline
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Duddridge, James
Dunne, Mr Philip
Durkan, Mark
Ellison, Jane
Evans, Graham
Evans, Jonathan
Farron, Tim
Francois, rh Mr Mark
Garnier, Mark
George, Andrew
Gilbert, Stephen
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Hames, Duncan
Hancock, Matthew
Harper, Mr Mark
Harvey, Nick
Haselhurst, rh Sir Alan
Heald, Mr Oliver
Heath, Mr David
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Horwood, Martin
Howell, John
Hughes, Simon
Jones, Andrew
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Lamb, Norman

Lancaster, Mark
Leadsom, Andrea
Lee, Jessica
Leech, Mr John
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Llwyd, Mr Elfyn
Long, Naomi
Lopresti, Jack
Loughton, Tim
Lucas, Caroline
McCartney, Jason
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
Menzies, Mark
Mills, Nigel
Moore, rh Michael
Mordaunt, Penny
Morris, James
Munt, Tessa
Murrison, Dr Andrew
Newton, Sarah
Ollerenshaw, Eric
Paice, Mr James
Pawsey, Mark
Percy, Andrew
Pincher, Christopher
Pugh, Dr John
Randall, rh Mr John
Reckless, Mark
Rees-Mogg, Jacob
Reid, Mr Alan
Rogerson, Dan
Rosindell, Andrew
Russell, Bob
Rutley, David
Selous, Andrew
Shannon, Jim
Shelbrooke, Alec
Simpson, David
Skidmore, Chris
Skinner, Mr Dennis
Smith, Sir Robert
Stephenson, Andrew
Stewart, Iain
Stuart, Mr Graham
Stunell, Andrew
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Tomlinson, Justin
Vara, Mr Shailesh
Walter, Mr Robert
Watkinson, Angela
Wharton, James
White, Chris
Whittaker, Craig
Williams, Stephen
Williamson, Gavin
Young, rh Sir George

Tellers for the Ayes:
Bill Wiggin and
Miss Chloe Smith

NOES

Afriyie, Adam
Bone, Mr Peter
Brady, Mr Graham
Chope, Mr Christopher
Davies, Philip
Percy, Andrew
Poulter, Dr Daniel
Stewart, Bob
Weatherley, Mike
Wilson, Sammy

Tellers for the Noes:
Mr Philip Hollobone and
Mr David Nuttall

Question accordingly agreed to.

Use of the Chamber (United Kingdom Youth Parliament)

10.39 pm

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): I beg to move,

That this House welcomes the work of the United Kingdom Youth Parliament in providing young people with an opportunity to engage with the political process; notes that the House agreed on 16 March 2009 to allow the Youth Parliament to meet once in the Chamber; recalls that this meeting took place on 30 October 2009; and accordingly resolves that the UK Youth Parliament should be allowed to meet once a year in the Chamber of this House for the duration of this Parliament.

I am glad that it is now past 10 o'clock.

Philip Davies (Shipley) (Con): On a point of order, Mr Speaker. Will you confirm that a Division on the motion would be deferred, but that if the closure were moved tonight, a Division on it would take place here and now? Many people watching these proceedings would think it quite strange that we would have a Division on a closure motion, but that there would be no Division on the substantive motion. Will you confirm that?

Mr Speaker: I am grateful to the hon. Gentleman; his point of order helpfully confirms the factual position. In the event that there were a closure motion, it would, as with all closure motions, as he perceptively interprets, be subject to an immediate vote. In the event that the decision on the substantive motion is a matter of dispute when the voices are collected, a deferred Division will be held tomorrow. The hon. Gentleman therefore, as usual, has an exquisite understanding of procedure. That fact is now known not only to me but to all Members of the House here present.

John Hemming (Birmingham, Yardley) (LD): Further to that point of order, Mr Speaker. Would I be right in assuming that if insufficient Members voted on the closure motion, that motion would fall?

Mr Speaker: There are requisite numbers for these matters, but I tend to take the view of the late Lord Whitelaw that it is advisable to cross a bridge only when one comes to it. Rather than speculate on the hypothetical, we will address that matter when we get there. The hon. Gentleman need not allow his brow to furrow or make himself anxious. He is too big a man for that.

Mr Heath: It is splendid that there is so much careful consideration of the procedure that accompanies this motion.

The motion would allow for the UK Youth Parliament to sit in this place for its annual meeting this year, and annually for the rest of this Parliament, repeating the successful exercise of last October. It is probably not in order for me to say at this stage how much I appreciated the debate that we have just had under the auspices of the Business Committee, but the Government would now expect debates of this nature to be scheduled by that Committee. However, because of the time constraints on the House agreeing this motion and the availability of time before the summer recess, the Government have decided to facilitate the House in reaching a decision by providing time after the moment of interruption.

Mr Christopher Chope (Christchurch) (Con): Can the Deputy Leader of the House explain why we need to do this before the summer recess? If he knew a week ago that we needed to do it before the summer recess, why was it not put on the Order Paper below the line so that we had advance notice of the Government's intention?

Mr Heath: I have just said that the Government are facilitating a process. This is not Government policy: it is for the House to determine. I see no reason why we should not debate this issue tonight. We have plenty of time to debate it tonight—possibly as much time as any Member could reasonably expect to debate an important issue such as this. It is important that we take a decision, for the obvious reason that if we could not decide, we could not allow the UK Youth Parliament to make use of the facilities at the time when we would invite them to do so if this motion were passed. It would therefore seem to be entirely sensible, even within the constraints of procedure in this place, to table a motion to agree to invite the Youth Parliament to use the facilities and, if that is agreed, for it then to do so—rather than the other way round.

Philip Davies: The Deputy Leader of the House claims to be facilitating a debate and says that he believes there is no reason why a debate should not take place. If that is the case, can he explain why yesterday the Government tried to get this motion through on the nod at the end of the day, without any debate? If the Government were so keen on facilitating a debate, why did he not schedule a debate in the first place?

Mr Heath: May I let the hon. Gentleman into a secret? If the House agrees on an issue, we do not need to take up debating time. If the House agreed on a matter, it would be sensible not to schedule a debate on the Order Paper, because we could use the time for more important things, such as those statements that hon. Members have said they want to hear in the Chamber. We could ensure that Ministers come here to explain their policies, and have more time for legislation, rather than debating matters on which the whole House agrees. But it would appear that there are some in the House who do not agree, which is why we are happy to provide time for the debate this evening.

Last time we debated this matter, I was on the Opposition Benches and supporting the hon. Member for Worsley and Eccles South (Barbara Keeley)—no, it was not her; it was the hon. Member for Rhondda (Chris Bryant).

Barbara Keeley (Worsley and Eccles South) (Lab): It was me.

Mr Heath: I beg the hon. Lady's pardon. It was her who put forward the motion. I said then that if we were to decide in the future that the first occasion had been a great success in building confidence in democracy, and an understanding of democracy, among the young in this country, we might repeat the experience. I hope that hon. Members who were in the House during the previous Parliament and who actually saw the debate—I attended the whole of it—would agree that those tests were met, and that the experience should be repeated. I hope that new Members in the House, who worked hard to ensure they could take their seats, will feel it right to encourage young people to express themselves and take part in the process of politics, and I can think of no better way of doing so than this particular suggestion.

Simon Hughes (Bermondsey and Old Southwark) (LD): May I help my hon. Friend, and colleagues on both sides of the House who were positive about the experiment last time, by saying that the feedback from the young people who participated, particularly some brilliant young women, and brilliant black young women, was that it had transformed their lives and that they had left this place reinvigorated to argue for British democracy in a way that I honestly do not think any of us envisaged? So I hope that there will be no backwoods objection to that fantastic innovation made only a few months ago.

Mr Heath: I am most grateful to my hon. Friend for those comments, because they are well founded and speak for the experience that many of us have had in speaking to young people who were involved that day. Let us remember that the debate took place at a time when Parliament's reputation was severely damaged, and when young people were increasingly disaffected with politics and society. I do not think that any hon. Member would argue that either of those problems has gone away, but I believe that we are making progress. In 2005 the turnout for 18 to 24-year-olds was estimated at 37%. Five years later, turnout is believed to have risen to about 44%. It is only by continuing and increasing young people's engagement with politics that we can continue to see those numbers grow.

For those who either watched it or were present, last year's debate showed us young people from across the country discussing the issues that they felt were most important—youth crime, cheaper transport, free university education, job opportunities for young people, and lowering the voting age to 16. Without trespassing on the territory of the Backbench Business Committee and the hon. Member for North East Derbyshire (Natascha Engel), may I say that if those suggestions were put to her Committee, they would not be out of order as matters of vital importance to the House.

Philip Davies: Was I hearing the Minister correctly when he tried to claim that the increased turnout among young people at the last election from 38% to 44% was due to young people having a debate in the Chamber last year? Is that really what he is claiming? I thought that his party was claiming beforehand that it was the televised debates with all the leaders that were encouraging young people to turn out. Has he changed his mind, or is he just coming out with a load of guff and a spurious argument?

Mr Heath: The hon. Gentleman was correct neither in the figures he quoted me as saying nor in the causal connection, which I did not seek to make. So the simple answer is: no, he is not correct.

I shall deal with some of the objections that might come up during the debate, because they came up at length last year. Last year's debate by the UK Youth Parliament was the very first time that anyone other than Members of Parliament had sat on these green Benches.

Philip Davies: Outrageous.

Mr Heath: I hear the word "outrageous" from a sedentary position behind me. The fact that last year's debate was the first time that anyone other than a Member of Parliament had sat on these green Benches seemed to be the issue for some hon. Members. They held the view—and obviously still do—that to sit on

these Benches is a privilege that can be exercised only by Members who have been elected to this House. In my view, that is to confuse the institution of Parliament, which is an enormously important institution to this country, and the fabric of the building. The two are not identical. Were it to sit in another chamber, this Parliament would still be the Parliament of the United Kingdom, just as much as it is when it sits in this Chamber. This Chamber in itself does not constitute the Parliament of the United Kingdom.

Dr Thérèse Coffey (Suffolk Coastal) (Con): Would my hon. Friend also allow this Chamber to be used by the pensioners' parliament, the Muslim parliament or any other body, and basically be rented out?

Mr Heath: I am glad that the hon. Lady has raised that issue, because it was the next objection that I thought might be raised. Her argument is what I would characterise as the slippery slope argument: that because we have allowed the UK Youth Parliament to sit in this Chamber once, and because we now propose that the experiment might be worth repeating, there is no way that we can prevent any Tom, Dick or Harry, from anywhere in the country, from coming in here and, by precedent, using this Chamber. However, that is patently not the case, because the decision is taken by this Parliament.

However, there is another reason, which is this. The UK Youth Parliament fulfils two criteria that no other organisation in this country can fulfil. First, its members are elected democratically; secondly, it comprises citizens of this country who, by statute, cannot seek election to this House. Therefore, I believe that the UK Youth Parliament has a unique position, and we have a clear function in encouraging young people to take an interest in politics and become involved in the political process.

Emma Reynolds (Wolverhampton North East) (Lab): Should we not celebrate the fact that young people are interested in sitting on these Benches, rather than having a go at them, in a cheap fashion, from the Back Benches?

Mr Heath: I am grateful to the hon. Lady. I certainly celebrate the fact that young people are interested, as she clearly does, and as I think most sensible people do. There are a small minority who perhaps do not, but I think that Parliament has a clear view on such issues.

Martin Horwood (Cheltenham) (LD): May I briefly congratulate Oliver Warne, MYP, on his re-election to the Youth Parliament? Does my hon. Friend agree that he and the other youth MPs conducted the debates in this place last year with enormous dignity, good sense and restraint, which is something from which some Members of this House could perhaps learn?

Mr Heath: My hon. Friend is absolutely right. One of the other objections raised is that if we allowed members of the UK Youth Parliament in here they would be swinging the Mace round their heads, swinging from the chandeliers and causing mayhem—after all, they are youth; some of them probably wear hoodies. I have to say that, in all honesty, that was not the experience last time—not by a long way.

John Mann (Bassetlaw) (Lab): I thank the hon. Gentleman for so generously giving way again. I recall one of the Tory backwoodsmen with whom he is in such happy coalition these days saying that those young people would come in here and put chewing gum on the seats and use penknives to carve them up. Could he report back to the House on how many such incidents occurred?

Mr Heath: Of course no incidents of that kind occurred at all. Indeed, the behaviour of the young people in the Youth Parliament was impeccable in every sense. Indeed, there were staff and Officers of the House who confided in me after the event that they had had real reservations about the invitation being issued. They had been worried about what would happen, but they were astonished at the maturity, good sense, good manners and proper behaviour of those young people—young people who engaged in debate that was often of a higher quality than what we hear in this Chamber on a normal working day. That is a testament to the maturity and good sense of those young people.

Adam Afriyie (Windsor) (Con): It seems to me that we have effectively formed a Backbench Business Committee this evening, but I wonder whether in future it would be better if this sort of issue were brought forward by the Backbench Business Committee rather than in Government time. There were great results from what took place here, which I do not think many of us would deny, but this is not really prime Government business. Would it not be better dealt with by the Backbench Business Committee?

Mr Heath: That is a point that I made earlier in my speech—that this should be Backbench Business Committee business, and should be allotted time in that context. I hope that if this is debated again in future years, it will be done that way.

Stephen Williams (Bristol West) (LD): Does my hon. Friend recall that in the previous Parliament, it was somewhat embarrassing that the House of Lords allowed the UK Youth Parliament to sit on their red Benches, which is what shamed us into allowing it to sit on our green Benches? This House made rather a spectacle of itself in the last Parliament and we made ourselves very unpopular. We are in grave danger of doing exactly the same thing again, and looking increasingly out of touch.

Mr Heath: I think it is always a matter of concern when the House of Lords looks comparatively youthful, progressive and forward thinking in comparison with the elected House, so I absolutely agree with my hon. Friend.

Let us deal with some of the apparently very important logistical questions raised in last year's debate. They were clarified then, but it is worth repeating them for the avoidance of any doubt. The rules of order that the UK Youth Parliament will follow in this Chamber will be the same as our own. As I suggested earlier in response to the intervention by the hon. Member for Bassetlaw (John Mann), there are strong arguments for us to follow its lead in how we interpret procedure rather than it following ours.

[Mr Heath]

The Mace will not be in its place and the Speaker's Chair will not be occupied by anyone other than Mr Speaker or the Deputy Speakers. As for broadcasting, the rights will remain with us. I believe that the parliamentary broadcasting unit should be encouraged to film the proceedings, and I am sure that the broadcasters will need no encouragement to show it.

Jo Swinson (East Dunbartonshire) (LD): I should declare that I am a trustee of the Youth Parliament. I would like some clarification from my hon. Friend as to whether the transmission of proceedings will be live or, as I have heard in some reports, there will be a delay. Given that so many have noted that the Youth Parliament was exceptional in its proceedings, it should not be required to have a delay in its live broadcasting.

Mr Heath: I am grateful to my hon. Friend, who has played a large part in championing the role of the UK Youth Parliament in this House and elsewhere. I cannot answer her question because it is not within the gift of the Deputy Leader of the House—despite my manifest powers of persuasion. I will inquire and write back to my hon. Friend, but I am afraid that I do not know the answer without making further inquiries of the parliamentary broadcasting unit.

Mr James Gray (North Wiltshire) (Con): I entirely support the use of the Chamber for the Youth Parliament, but I am puzzled by one piece of logic. Why is the hon. Gentleman content for the Prime Minister's Chair to be used by the UK Youth Parliament, while the Speaker's Chair is somehow regarded as sacrosanct? Why should that Chair not be used equally by the Youth Parliament?

Mr Heath: For the very simple reason that this appeared to be a bone of contention last time we debated it, and rather than have yet another argument with colleagues who felt otherwise, it was felt appropriate for the Speaker's Chair not to be occupied by anyone other than Mr Speaker or the Deputy Speakers. We will keep to that protocol, because there is no objection on the part of the UK Youth Parliament to it. Indeed, how could it object, when it is here at our invitation? There is no reason for changing the protocol.

At the end of last year's debate, Rhys George, a Member of the Youth Parliament for the South East, rose on a point of order to say:

"I would like to say thank you to all the MPs who voted overwhelmingly for us to be debating here today for the first time. Without them, we would not be here and the people of Britain would not be able to see what we mean and what we are trying to do to benefit young people."

Mr Speaker was in the Chair at the time, and he rather deftly avoided noting that this was not, in fact, a point of order or a matter for the Chair. I am not sure that he would have been quite so tolerant had it been raised in our normal business.

I believe that this is a matter for the whole House. We must decide whether we want to continue to encourage young people to be involved in politics. We must decide whether we want to give them an opportunity that will be theirs perhaps once in a lifetime, and which I think will make a lasting impression not just on them personally but on the people whom they represent and the people to whom they report back—the people who know that they have had that opportunity. I hope that Members will join me in supporting the motion and welcoming the UK Youth Parliament back to this place to continue its excellent work.

11 pm

Barbara Keeley (Worsley and Eccles South) (Lab): The question of whether young people engage in politics should concern Members because of its potential impact on the fabric of democracy in future years. Labour Members are very proud that in March 2009, the Government set the very good precedent of tabling a motion to allow the UK Youth Parliament to sit in the Chamber at a time when the House was not sitting.

Mr Philip Hollobone (Kettering) (Con): The hon. Lady has made the point that the Government established a precedent. However, in our last debate on the subject it was made clear to the House that it would not be a precedent: that it would be a one-off for the annual meeting of the UK Youth Parliament on its 10th anniversary. Is this not the slippery slope that many of us feared?

Barbara Keeley: I would not call it a slippery slope, but I will come to the point that the hon. Gentleman has raised.

As some Members have observed, the meeting that took place last October was a great success. These Benches were packed with 300 young men and women, many from ethnically diverse backgrounds, and it was a fantastic debate. One of the young people described how she felt about it, saying:

"It is an outstanding example of how democracy among young people is alive and kicking. Tackling debate topics such as tuition fees, transport, crime, the economy AND lowering the voting age really shows that anyone who thinks young people aren't interested in politics is extremely misinformed."

We want to encourage young people to see democracy as important, and to see the House of Commons as relevant to their lives and to the future. It would be very odd for us not to continue to let young people use the Chamber when we are not using it—on a Friday, during a weekend, or when the House is in recess. It would be very odd indeed for us to say now, after all the success of the debate last October, that we were raising the drawbridge on the use of Parliament by young people. Instead, we should be opening the windows to the breath of fresh air that they will bring in.

Kerry McCarthy (Bristol East) (Lab): Does my hon. Friend agree that if, after the great success of last year's experiment, we turned around and said, "No, we are not letting you in here again," that would send entirely the wrong signals to the young people?

Barbara Keeley: It would indeed. Members are clearly concerned about the issues affecting young people. We regularly discuss in the Chamber the same issues that the young people discuss themselves, and it is important for us to hear their angles and views as well. The engagement of the UK Youth Parliament—whose members are themselves elected from all parts of the country, often on a bigger turnout than some Members here—is very important.

Philip Davies: Will the hon. Lady give way?

Barbara Keeley: I hope that I speak for all Labour Members when I say that we support the motion.

Philip Davies: Will the hon. Lady give way? Or has she finished her speech?

Madam Deputy Speaker (Dawn Primarolo): Order. Has the hon. Lady finished her speech?

Barbara Keeley: Yes.

Madam Deputy Speaker: In that case, given that the hon. Member for Shipley (Philip Davies) is on his feet, he has the Floor.

11.4 pm

Philip Davies (Shipley) (Con): Thank you, Madam Deputy Speaker. It is a poor show when, although it is apparently so important for the Youth Parliament to sit in this Chamber, the main Opposition party can find only about two minutes' worth of things to say about it. It clearly cannot be all that important to them if they have nothing to say in support of it.

Barbara Keeley *rose—*

Philip Davies: The hon. Lady would not give way to me, but because I am of more generous character than she is, I will give way to her.

Barbara Keeley: I thank the hon. Gentleman.

It is easy for Labour Members, because we are unanimous on the subject. It is the backwoodsmen on the Government Benches who are raising all the objections.

Philip Davies: The hon. Lady talked—very briefly, I must say—about the views of young people, and the importance of their perception of the House of Commons and its relevance to them.

May I tell the hon. Lady something that she might want to bear in mind when considering what people think of the House of Commons? It comes back to something that my hon. Friend the Member for Kettering (Mr Hollobone) said in his earlier intervention, which was not dealt with particularly well. The hon. Lady started off by saying that the previous Labour Government set a precedent with last year's debate.

Barbara Keeley: To clarify that, my point was that moving the motion was a precedent, not that the debate itself was a precedent.

Philip Davies: We are very grateful in this place that we have our *Hansard* reporters, and we can all read tomorrow what the hon. Lady actually said. We certainly heard that she said that it was a precedent.

The hon. Member for Bristol East (Kerry McCarthy) said that it was an experiment last time. However, if anyone wants to cast their eyes back on the account of last year's debate, they will see that it was made abundantly clear by the Government and others who supported the principle that the debate was a one-off.

Therefore, the hon. Member for Worsley and Eccles South (Barbara Keeley) and those supporting her stance are saying that what the young people in the Youth Parliament should learn from the House of Commons is that we cannot believe a word anybody in this House says, because they say one thing one year and they then go and completely reject the solemn promises they made at that time. If that is the kind of message they want to give to young people, that is very interesting.

Stephen Gilbert (St Austell and Newquay) (LD): Given that no previous Parliament can bind a future Parliament, perhaps it is not the young people who need to do their homework about this place. Does my hon. Friend not agree that that decision was for that Parliament to take, and what we do in this Parliament is for us to decide?

Philip Davies: The hon. Gentleman is absolutely right. However, I would point out that those people who were here in the previous Parliament and who said that the debate was a one-off—that it would only take place once and it would not be repeated—should bear that in mind when they come to decide how to vote on the issue tonight, unless, of course, they want to go against absolutely everything they said.

Martin Horwood: I was in the last Parliament and in fact I hope that it does set a precedent. I am slightly confused, however. In a spirit of honesty and transparency, will the hon. Gentleman clarify whether or not he opposes the use of these Benches by the UK Youth Parliament?

Philip Davies: Of course I do. The hon. Gentleman must have been living on Mars for the past year. He said he attended last year's debate; I spoke for about an hour and a quarter on the subject then, although I cannot remember the exact length of time. He claims he was present, but I made it blindingly obvious that I am against this. For the benefit of the hon. Gentleman, who obviously cannot remember the debates he takes part in, I will try to rehearse tonight some of the same arguments I made then so that he can get a better understanding that I am actually opposed to this.

Steve Baker (Wycombe) (Con): I thank my hon. Friend for saying that, as I was going to ask him to rehearse those arguments. Also, does he agree that this is possibly the most vibrant, passionate and sincere debate we have had in this Parliament, and that that is, perhaps, a case for ending the system of whipping?

Philip Davies: I am sure my hon. Friend's comments will have been noted diligently by the Whip on duty, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill). Some of us in this House believe that all votes are free votes really, and that, at the end of the day, Members can vote entirely as they please. They might want to take heed of what the Whips are encouraging them to do, however, as I must say to my hon. Friend the Member for Wycombe (Steve Baker) that usually their advice is very sound, but occasionally it is not, and I suspect that on this issue it may not be quite as sound as it usually is.

I am sure my hon. Friend's suggested innovation will be taken seriously by my hon. Friend the Member for Scarborough and Whitby. Indeed, he is sitting in his

[Philip Davies]

position on the Front Bench and writing diligently as I speak, so I think the name of my hon. Friend the Member for Wycombe has gone in the book. I wish him well for his future career, but I fear it may be as elevated as mine.

Simon Hughes: I have no desire to encourage the hon. Gentleman to speak for a long time, but may I just ask him a question? I understand why backwoods Conservatives might have been against this before we tried it the first time, but given the success of what happened and the clearly positive response, can he not understand that it is bizarre, extraordinary and very sad that he is continuing his opposition as the Youth Parliament itself was clearly far more successful than his argument a year ago?

Philip Davies: I look forward to hearing the hon. Gentleman outlining at length his measure of success for that particular debate. We can have a debate at length this evening about what the measure of success is for the Youth Parliament sitting here. It was clearly more successful than I thought it was and perhaps even more successful than he thought it was, because the Deputy Leader of the House told us that the turnout at the election was so much higher. That was something that I had never thought of as a measure of success, but clearly it was; it had nothing to do with any of this.

Mr David Nuttall (Bury North) (Con): Mention has been made of how much the young people enjoyed the experience and benefited from it. Does my hon. Friend agree that that was probably due in no small part to the fact that they had heeded the debate and thought that the occasion they were taking part in was unique? It now turns out that it was not as unique as they thought.

Philip Davies: My hon. Friend makes a very good point. A system of overkill may well be in operation here; these debates may become ten a penny to members of the Youth Parliament and they may not treat them as seriously as they did last time. That may or may not be the case—I guess time will tell.

Andrew Percy (Brigg and Goole) (Con) *rose—*

Philip Davies: I will give way in a second to my hon. Friend, but I wish to finish the point I was making to the hon. Member for Bermondsey and Old Southwark (Simon Hughes), who said that my position was extraordinary, given that this was such a success last time.

Simon Hughes *rose—*

Philip Davies: I will happily give way to the hon. Gentleman, but would he say that the Youth Parliament debate that took place in Westminster Hall in a previous year was a success? Or was it a great failure? I think that it was a success, but perhaps he thinks it was a failure. If it was a success, why can they not go back to Westminster Hall? They had a very successful debate there before. They had a very successful debate—he mentioned this or perhaps one of his hon. Friends did—in the House of Lords. Does he say that that debate was a failure and that they therefore have to come in here because it failed in the House of Lords? Or was it a success? They do not really need to come here to have a successful debate. We have proved in this House on many occasions that they can have very successful debates elsewhere.

I might add that when we were debating this last time round and we were asking why they could not go back to have their debate in Westminster Hall, the argument given by the proponents of this was, "They have already been there once and they do not want to go back again." When we asked why they could not go back to the House of Lords, we were told, "They have been there once and they need somewhere different." Why does not the same argument apply on this occasion? They have been here once and presumably they want to move on to somewhere else. I can think of nowhere better than the European Parliament, where I am sure they would be welcomed with open arms.

We say that we are trying to improve the quality of debate in the Parliament in which they speak. It may well be that the Deputy Leader of the House is right in saying that they improve the quality of debate in this Chamber and the decision-making qualities in this Chamber, but believe you me, if they were to have a debate in the European Parliament, they would transform the quality of debate that takes place over there and the quality of decision making. Perhaps they ought to go somewhere else. Perhaps they ought to go to Buckingham palace, because they have not been there before for a debate. They seem to want to go to somewhere only once, so why are we now presuming that they want to keep coming back to the same place year after year?

Emma Reynolds: Everyone in the Chamber knows of the hon. Gentleman's enthusiasm for the European Parliament, but does he agree that our Parliament is a remarkable institution and it is not comparable to sitting, speaking and standing in Westminster Hall? We should be proud of the fact that young people are interested in the politics of this country. I regret the cynicism expressed by some, but not all, hon. Members on the Benches opposite and the fact that they take such a distasteful approach to this matter. Why are they not proud of the fact that young people want to come here to debate things and look at how our Parliament works? Why are they ashamed of that?

Philip Davies: I am very sorry that the hon. Lady takes that view. I am sure that all the members of the Youth Parliament will have tuned in late at night to watch this debate to see their fortunes unfold before them. What they will probably be slightly concerned about is that in this Chamber that they all cherish there are people such as the hon. Lady, who is clearly so intolerant of anyone who happens to have a different opinion from her. I thought that the whole principle of free speech and free debate in this House was that we accepted each other's arguments and respected them equally and that although we might come to different points of view, we would respect them. I perfectly respect the hon. Lady's point of view, but it is just a shame that she seems so intolerant of anybody who happens to disagree with her. I am not entirely sure that that is the kind of lesson we should be teaching the members of the Youth Parliament.

Emma Reynolds: I am perfectly respectful of people who have a different view from me, but I also respect that young people have different views from one another and want to take the opportunity to debate them in this place. This is the first of the hon. Gentleman's speeches on this subject that I have listened to and I ask him to

forgive me, as I have not listened to hours of his former speeches on it. Why is he ashamed of this place being used when we are not using it? What does he oppose? Why does he not think that young people should use this place when we are not here? I do not understand his argument.

Philip Davies: If the hon. Lady did not keep intervening, we might get on to the arguments so that we could outline them for her. She is far too impatient—she obviously wants to get on with it. I want to get on with it, too, but I am trying to be generous with people who want to intervene. I shall try to outline the arguments, but I am surprised that she seems to think that the only place that a debate of the Youth Parliament can take place is in this Chamber. Why cannot a debate of the Youth Parliament take place in other forums? They can have a very good debate in Westminster Hall and in the House of Lords. Why do they have to be here to have a debate? That is the point that the hon. Lady is making, which I do not really follow.

Mr Chope: Does my hon. Friend accept that one of the big complaints at the meeting of the Youth Parliament last year was that debates were truncated? The Youth Parliament member for Christchurch, for example, was not called and so he was unable to participate. Would it not be better if the Youth Parliament met not just one day a year but several days each year, so that there was time for every member of the Youth Parliament to participate and to stand on their feet in this wonderful Chamber?

Philip Davies: My hon. Friend makes a very good point and he is living proof that people can change their mind in this place. He seems to be articulating the view that we should have more Youth Parliament debates in this Chamber, an argument with which I am sure that many hon. Members would agree. Many might agree with it secretly because they do not want to let the cat out of the bag now, just like last year when they did not want to let the cat out of the bag that this would be an annual occasion. They now do not want to let the cat out of the bag that they want this to happen more than once a year—in fact, that they want it to happen a few times a year. Perhaps it could happen every week, or every Friday that we did not sit. Perhaps that is what they really think, but they do not have the courage of their convictions to say so.

Barry Gardiner (Brent North) (Lab): How would the hon. Gentleman respond to the suggestion that his speech inadvertently presents the only decent argument against the Youth Parliament's sitting on these Benches, namely that the quality of their debate so far exceeded his that they would put him to shame?

Philip Davies: I have no doubt that Members of the Youth Parliament will put my speeches to shame and I equally have no doubt that they will put the hon. Gentleman's speeches to shame, too. The only difference is that I know it and, perhaps, he does not. The same rules still apply.

Dr Thérèse Coffey: I am hosting a visit of all the members of the Youth Parliament from Suffolk tomorrow, and is it not a crying shame that the authorities of this House would not find it fit to find tickets for Prime Minister's Question Time, because they said that they could not accommodate members of the Youth Parliament? And yet they seem happy to say that we should have them here. I believe that this place is special for setting the legislation of this country, and yet apparently it would be a better use of their time to watch more debates in the Committee Rooms or in Westminster Hall. Is it not a crying shame that they have been denied access to see Question Time?

Philip Davies: My hon. Friend makes a very good point. It comes down to the point about what we can do in this House to encourage younger people to participate in politics and become active in politics—I am sure that that is something with which we all agree. I hope at a later point to discuss matters to do with the cost of this event. The Deputy Leader of the House was going through all the rigmarole about what will happen, but he did not say how much it will cost. Perhaps we ought to think about whether that money could be better spent out in each Member's constituency on trying to encourage younger people to participate in politics, rather than on this grand gesture. My hon. Friend makes a very good point. Perhaps we should take stock and think about what we can do to encourage people to participate in and get excited about politics. She has hit the nail on the head.

Stephen Pound (Ealing North) (Lab): I was sceptical about the Youth Parliament but the cure for my scepticism was seeing it in action and realising that at least one future parliamentarian was almost certainly there on that day. The Stormont Assembly has been doing this for years and not only are there absolutely no problems in Stormont but Ministers respond to the Youth Parliament in the Northern Ireland Assembly. As with many issues, we could look across the water and learn from them.

Philip Davies: The hon. Gentleman makes a fair point for which I have a lot of sympathy. If Ministers are so enthusiastic about the Youth Parliament sitting here, I am sure that they will have no objection to volunteering their time to respond to its debate in the way that he suggests. I am sure that that would be a worthwhile innovation. He is known for his ingenuity and his innovations, and I am sure that that one might catch on. He is certainly right that we could learn a great deal from our friends in the Province who often have more sensible views on things.

Mr Heath: Just in case the hon. Gentleman thinks that he is genuinely suggesting an unusual innovation, let me tell him that the acting Leader of the Opposition, my right hon. Friend the Leader of the House and I were all present for the entire day at the last meeting of the UK Youth Parliament and that the acting Leader of the Opposition spoke in the debate. I would certainly think it a privilege to attend this year if it is the will of the House that its meeting should take place in the Chamber.

Philip Davies: It is a red letter day for the Youth Parliament, because not only do we seem to be on the verge of allowing its members to use the Chamber again, but the Deputy Leader of the House has offered to play a full part in their proceedings. I am sure that that promise will have been bugged by them and that they will look forward to that with excitement.

[Philip Davies]

The hon. Member for Brent North (Barry Gardiner) said that he was concerned about the quality of my speech, but my generosity in dealing with interventions has meant that I have not yet started. However, I intend to do so now.

Barry Gardiner: I assure the hon. Gentleman that it was not the quality but the width of his speech that I was worried about.

Philip Davies: I am sure that the House is grateful for that clarification.

The first point that I want to make is that the debate is not about the merits of the Youth Parliament. One weakness of the argument put forward by those who support the motion is that they try to characterise the debate so that if you are in favour of the motion you are in favour of the Youth Parliament and that if you are against it you must be against the Youth Parliament.

Madam Deputy Speaker: Order. The hon. Gentleman is a very experienced Member of the House and I know that he does not mean to drag me into what is an obvious disagreement among some in the Chamber. Given that he is so keen on procedure, I know that he will want to stick to it exactly.

Philip Davies: I apologise, Madam Deputy Speaker.

Surely it is not sensible to suggest that people who support the motion must be in favour of the Youth Parliament and that those who are against it must be against the Youth Parliament. Nobody could be more supportive of the UK Youth Parliament than I am.

Emma Reynolds: If the hon. Gentleman is so supportive of the UK Youth Parliament, why will he not let it use the Chamber when we are not here?

Philip Davies: Once again, the hon. Lady springs up like a jack-in-the-box. [HON. MEMBERS: "Jill-in-the-box."] Indeed. I am not entirely sure whether there is a wasp on that Bench or something else that is prompting the hon. Lady to jump up at every opportunity. If she will allow me to advance the arguments, she might learn why I think as I do. I am very proud of the fact that I spend an awful lot of time meeting people who are members of the Youth Parliament in my area. I am very proud of the fact that I went to visit Bradford council chamber, where an excellent debate took place involving the Youth Parliament in my locality, and I thoroughly enjoyed listening to those arguments and that debate. I am all for engaging with members of the UK Youth Parliament.

Andrew Percy: If it is fine for Bradford city council chamber to be given over to the Youth Parliament, why it is not fine for the Chamber to be given over to it?

Philip Davies: If Bradford council is happy for the UK Youth Parliament to use its chamber, that is a matter for it. Perhaps it had this kind of debate before it allowed it to do so; and equally, as someone who believes in democracy, if the will of the House is to allow the UK Youth Parliament to use the Chamber, I will respect that decision, just as Bradford councillors presumably respected the decision of the majority there.

Jo Swinson: When did the hon. Gentleman last meet his local members of the Youth Parliament? What was their view of whether they should use the Chamber for debating? What was his response to them?

Philip Davies: The hon. Lady makes a good point. I met those members straight after their election. I made a point of contacting them all when they were newly elected to their positions. We all had a meeting in Shipley, and the interesting point, which is the one that she was making, is that not one of them mentioned the fact that they wanted to hold a debate in Parliament. In fact, all the times that I have met members of the Youth Parliament in my locality—

Jo Swinson *rose—*

Philip Davies: I am dealing with the hon. Lady's intervention. Even if she wants to intervene again, she may at least listen to the answer to the first one. She asked what view members of the Youth Parliament had of meeting here and what my response was to that. My answer—it is perfectly clear, although it might not be the one that she wants, but it is the answer to her question—is that not one of them mentioned that they wanted to hold a debate in the Chamber. In fact, when I visited their debate at Bradford council chamber, not one of them mentioned doing so either.

Jo Swinson: Will the hon. Gentleman give way?

Philip Davies: I am still dealing with the hon. Lady's previous intervention. The wasp appears to have moved places. If holding a debate here is so important to all the Youth Parliament's members, perhaps she will explain when she comes back for a second bite of the cherry why none of them mentioned it to me.

Jo Swinson: Perhaps the Youth Parliament's members are not as avid readers of *Hansard* as everyone else and had not read or heard the hon. Gentleman's previous more-than-one-hour peroration on this issue. Given that he had spoken for more than an hour, I find it strange that he did not mention that to the Youth Parliament's members when they came to meet him and that they had no response to it. Will he confirm that he met them after he had made his hour-long speech in the Chamber and that he chose not to mention it?

Philip Davies: I did meet the Youth Parliament's members after I made that speech in the Chamber. I have never hidden my views on the issue. I have no idea what the hon. Lady does, but I know for a fact that she is an incredibly diligent local MP. She can learn nothing from me about being a good constituency MP, but I will explain my approach just for clarity. When I meet local members of the Youth Parliament, my approach is to ask them about the issues that they are interested in and to ask them to tell me about the things that concern them. Clearly, her approach, which is obviously better than mine, because she is a diligent constituency MP, is for her simply to lecture them about what she thinks. I did not think that that was an appropriate way to deal with them, so I allowed them to raise the issues that they were concerned about, and those issues happened not to include holding a debate here. In fact, many of them were much more interested in local issues, such as crime and job opportunities, and debates about going to university, tuition fees and so on. Not one of them felt that holding a debate in the Chamber would be revolutionary to their lives.

Barbara Keeley: The debate is not about the Shipley youth council or the West Yorkshire youth council, but about the UK Youth Parliament. Young people want to meet young people from other parts of the country and to debate issues with them. If this was just a local matter, one could appreciate that they would feel the way that the hon. Gentleman suggests, but it is not; it is a UK-wide Youth Parliament.

Philip Davies: No one is arguing that the UK Youth Parliament should not have a national meeting, but that is not what is before the House. We are discussing where it should have its meeting. I am sure that the hon. Lady will concede that the Youth Parliament members could meet in Westminster Hall or the House of Lords. If her prime purpose is that they should meet, that is not an argument for why they should meet here.

Stella Creasy (Walthamstow) (Lab/Co-op): I am grateful to the hon. Gentleman for giving way in this waspish debate. He is making a long and pained contribution about why the UK Youth Parliament is important and the many issues that it considers, but he has not set out why those things cannot be considered in the Chamber. He makes a strong case about the many things that young people talk to him about, and I would be worried if the only thing that they discussed was the use of this place, but he has not explained why that should be ruled out. He needs to be clearer about why not this place, rather than why somewhere else.

Philip Davies: The problem with the hon. Lady's intervention is that I have been able to speak for only a few seconds before people like her have tried to intervene. I have generously taken hon. Members' interventions to allow them to have their say, but that has prevented me from setting out my argument. The solution to her dilemma is for her to allow me to continue my speech without intervening because she may then hear my arguments. It appears, however, that she is not interested in listening to anyone else's point of view because she has already made up her mind. She might wish to pass on that lesson to members of the UK Youth Parliament, but I am not sure that it is particularly healthy.

I am all for the UK Youth Parliament and for encouraging young people to participate in politics, but is it not sad that the best way that the assembled brainpower of the House can think of to get more young people involved in politics, engaged in the political process and inspired to want to become MPs is to allow them to hold a debate once a year in the House of Commons Chamber? Is that the depth of our imagination?

Mr Nuttall: My hon. Friend touches on the crucial point that simply holding a debate—a one-off debate or annual debates—in the Chamber runs the risk of taking away these people's lifelong interest. Does he agree that one's interest in politics over a long time is driven by the desire to sit on these green Benches?

Madam Deputy Speaker: Order. May I remind Members of the procedure of the House? Interventions are supposed to be brief, not speeches in their own right. I know that everyone is really interested in the debate and that the hon. Member for Shipley (Philip Davies) has said that he would like to make progress on his main points, so if interventions were a little briefer, that would help.

Philip Davies: I am grateful to you, Madam Deputy Speaker.

My hon. Friend makes a fair point in the sense that the people who proposed using the Chamber last time round argued that the Youth Parliament could not go back to the House of Lords or Westminster Hall because, having already been there, its members were bored of them. The logic of that argument, as my hon. Friend says, is that the more time they stay here, the more bored of it they will become, so they might feel less inspired to want to come here as MPs because they have already done so.

Representing one's constituency in Parliament is a tremendous privilege. Everyone in the Chamber will have worked incredibly hard to achieve what for many is a lifetime ambition of representing their constituency in Parliament. It is a great privilege finally to take one's seat. Why would we want to undermine that achievement by allowing people who have not gone through the rigmarole of getting here to take their seats in the Chamber? To come back to the point made by my hon. Friend the Member for Suffolk Coastal (Dr Coffey), why is the UK Youth Parliament, worthy as it is, so special? If the argument is that young people do not feel that there is sufficient focus on their issues and, therefore, such a debate gives them an opportunity to advance them, I should argue that many of my constituents feel that pensioners' issues are not particularly well covered in Parliament.

Alison McGovern (Wirral South) (Lab): Will the hon. Gentleman give way?

Philip Davies: I will in a moment.

Why should the National Pensioners Convention not be allowed to use the Chamber? What is so special about the UK Youth Parliament to the exclusion of any other group?

Duncan Hames (Chippenham) (LD): Will the hon. Gentleman give way?

Philip Davies: I shall give way to the hon. Member for Wirral South (Alison McGovern), because she caught my eye first.

Alison McGovern: Does the hon. Gentleman believe that the privilege and specialness of being a Member is the act of representing our constituents or the act of sitting on these seats?

Philip Davies: The hon. Lady seems to advance the argument that these seats are no more than furniture and that they of are no importance. She nods her head, so she clearly agrees that we are sitting on furniture that is neither here nor there. That may be her view, and it is perfectly respectable, but I do not share it. When she shows her constituents around this place, does she say to them, "We'll not bother going into the main Chamber, because it's just a row of seats, a few benches, a bit of furniture, to be honest. We've got furniture all over, and these seats are no more important than any other, so we'll miss out the Chamber and go somewhere else because we're not interested"? I suspect not, because these seats represent a bit more than what she just indicated—furniture.

Mr Gray: Will my hon. Friend give way?

Philip Davies: Of course. I shall give way to the hon. Member for Chippenham (Duncan Hames) in a second.

Mr Gray: I disagree with my hon. Friend, but he is making a fine speech. The hon. Lady is being wholly illogical, is she not? If she is arguing that these Benches are merely bits of furniture and it does not matter who sits on them, why are they so special to the Youth Parliament? It could equally well sit in Westminster Hall, the House of Lords, Church House or anywhere else. The point about this Chamber is that it is an incredibly special place; it is an incredible privilege to be here; and, therefore, for the young people it is an incredible privilege to come here. To try to contend that these Benches are merely nothing seems to me to miss the logic of the argument altogether.

Philip Davies: My hon. Friend makes a very good point, and, although we approach the issue from different perspectives, I applaud at least the consistency of his argument. He is absolutely right to suggest that those people who say that, on the one hand, it is a special gesture to allow the UK Youth Parliament to sit here and, on the other, that it is just a row of benches, directly contradict themselves.

Gavin Barwell (Croydon Central) (Con): Will my hon. Friend give way?

Philip Davies: I shall give way first to the hon. Member for Chippenham, because I promised him that I would.

Duncan Hames: The hon. Gentleman's first argument, therefore, rests on his own sense of self-importance. However, on his question about what is so special about the UK Youth Parliament as opposed to the other candidates who might use this Chamber, does he accept that many of its members were not even entitled to vote in the elections in which we all stood as candidates, and, indeed, were not eligible to be candidates themselves?

Philip Davies: The hon. Gentleman makes a perfectly reasonable and fair point, and I do not decry his position, but I ask him to reflect on the fact that prisoners are not allowed to vote in elections. Is he saying that we should hold a debate here just for prisoners? The royal family are not allowed to vote at elections, so perhaps he is suggesting that we open up the Chamber so that they can have a debate. Members of the House of Lords are not allowed to vote, so perhaps we should open it up to them if they get bored of their Chamber. The UK Youth Parliament became bored of its chamber and we allowed its members in here, so perhaps the hon. Gentleman is suggesting that, if the House of Lords gets bored of its Chamber, we should make room for its Members on these Benches.

Is the hon. Gentleman really saying that anybody who does not have a right to vote in elections in this country should be eligible to hold a debate here? What about all foreign nationals? They are not allowed to vote. Should we have an annual debate for foreign nationals in this Chamber because they have the misfortune of not being eligible to vote in elections? I respect the hon. Gentleman's point of view, but his argument is nonsensical.

Gavin Barwell: After half an hour, we have come to the absolute crux of my hon. Friend's argument. He said that the work that all of us had done to get here was undermined by allowing other people to sit in this Chamber. Is he really suggesting that he, himself, and his status as an MP have been undermined by what happened last year, and that all other Members have been similarly undermined? To do him credit, it seems to me that based on his performance tonight he has not changed at all.

Philip Davies: I am not sure whether to take that as a compliment or an insult, although knowing my hon. Friend as I do I shall take it as a compliment. He would not wish to suggest anything else.

The point that I am making is that the motion is wholly illogical. It makes absolutely no sense whatever, because all the justifications for allowing the Youth Parliament to sit here are justifications for allowing lots of other organisations to do the same. The hon. Member for Worsley and Eccles South and the hon. Member for Bermondsey and Old Southwark made the great point that one of the great features of the Youth Parliament debate last year was that so many people from ethnic minorities took part. If that is the rationale for allowing it to be here, presumably the hon. Lady will advocate that the Muslim Council of Britain should have its meetings here. If we want lots of people from ethnic minorities here, the council would be a prime candidate.

Barbara Keeley: In raising the point about ethnic diversity, the hon. Gentleman misses the point. The point is that the UK Youth Parliament, through its work and how it elects its members, is more diverse than this House. That is impressive.

Philip Davies: That may well be the case, but is the hon. Lady really suggesting that any organisation that happens to have a more diverse make-up than the House should therefore be entitled to have a debate here? That is the logic of her position. The make-up of the Youth Parliament may well be more diverse, but that is no argument for allowing it to have a debate in this Chamber.

Julie Hilling (Bolton West) (Lab): Does the hon. Gentleman not realise that the UK Youth Parliament is elected on a system based on constituencies? Each local authority area has a certain number of places at the Youth Parliament. The young people fight elections against other young people, so they have some legitimacy as members of that Parliament. What would be better than for the UK Youth Parliament to come to the mother of Parliaments and sit here to debate for one day? I cannot understand why some Government Members are resistant to that.

Philip Davies: The hon. Lady raises a perfectly valid point, and I do not wish to decry it. If her argument is that we should allow all organisations with democratic legitimacy to debate in the House, it is perfectly reasonable—I am sure that all my local parish councils will look forward to their day in the sunshine, when they have their debate. I suspect that many people in my parishes feel that national significance is not given to all the issues that they debate. Perhaps members of my local authority in Bradford will look forward to their day in the spotlight when they can have a debate here. If the hon. Lady's argument is that all organisations with some democratic accountability should have a debate here, it is perfectly valid, but she still has not given any reason why that should apply only to the UK Youth Parliament.

Martin Horwood: I must first apologise to the hon. Gentleman for having forgotten his speech from last year; I cannot think what erased it from my memory.

Is not what makes the UK Youth Parliament so special that it is so closely modelled on this place? As the hon. Member for Bolton West (Julie Hilling) pointed out, it has contested elections for constituencies closely modelled on our own and the procedure is based on ours. UK Youth Parliament members have therefore expressed great respect and gratitude for this place. Does the hon. Gentleman not think it a bit mean-spirited and churlish for us not to return the compliment?

Philip Davies: I do not accept the premise of that argument; the basis on which Youth Parliament members are elected is not exactly the same.

Mr Peter Bone (Wellingborough) (Con): My hon. Friend is making a powerful speech as usual. I had not intended to intervene, but on the last point I should say that the difference between the Youth Parliament and this Parliament is that we are allowed to stand under party labels, whereas Youth Parliament members cannot. It is not the same as this Parliament.

Philip Davies: My hon. Friend is right about that technical difference between the Youth Parliament and this one. I am not sure that that negates the point made by the hon. Member for Cheltenham (Martin Horwood); any Parliament should be made up as it sees fit. However, I do not particularly accept his premise to start with. He is scrabbling around trying to find what is different about the UK Youth Parliament as opposed to any of these other worthy bodies.

I will tell you, Madam Deputy Speaker, what is different about the UK Youth Parliament and its relationship with this Chamber. What is different is that we have, in my opinion, the sight of a lot of very sad people trying pathetically to ingratiate themselves with young people in their constituencies, which is absolutely painful to behold. They think that this is a trendy course to follow. If they want to try to look trendy with their constituents, they will argue that they want to have the UK Youth Parliament sitting here so that they can go back and say, "I'm trendy, I supported you." It is frankly rather pathetic. That is the only difference between the UK Youth Parliament and all these other bodies, however hard hon. Members scrabble around for differences between it and anything else.

Steve Baker: I am not sure that there are that many young people in my constituency judging from many of the meetings that I go to. I think that my hon. Friend is being quite disingenuous towards those of us who are taking this debate very seriously. I came here this evening to hear what he had to say, in all seriousness, to persuade me that I should not vote to let young people come and sit here for one day to express their respect for British democracy. I must say that after all I have heard from him, I am increasingly persuaded that we should let young people come and sit here.

Philip Davies: My hon. Friend is perfectly entitled to take that view. He said that he wants to listen to the arguments; well, I have got on the record only one paragraph of my speech because I have been dealing with hon. Members' interventions. My hon. Friend is a very diligent local MP, but I am sure that if he looks a bit harder, he will find some young people in his constituency, and then he can ask how many of them are desperate to come and have a debate in this Chamber. I think he will find that that is not near the top of their list of priorities. I could be wrong.

Adam Afriyie *rose—*

Philip Davies: I give way to my hon. Friend, because I promised him earlier and forgot.

Adam Afriyie: It seems to me that my hon. Friend is going through a tick-box list of variables and characteristics of the various different organisations, and then going through the arguments one by one and trying to discount each individual argument, or arguing that that single variable is not the variable on which we should make the judgment. In sophisticated argument, and in making sophisticated judgments, one takes multiple variables and judges them all together in the round, not one by one. As he goes through each of the variables, he is agreeing that that variable is pretty much true or valid, but then saying that that on its own it does not seal the decision to make the judgment. I put it to him that if one is a little more sophisticated, one makes the judgment by taking all the variables and saying, in a combined fashion, that that therefore tips the judgment in favour of allowing them to be here.

Philip Davies: I applaud my hon. Friend's honesty. In effect, he appears to be accepting the point that I have been making in dealing with interventions—that there is nothing unique about the UK Youth Parliament and its composition that means that it should uniquely be able to use this House—but exercising his judgment in believing, taking everything into account, that theirs is a different and special case compared with everyone else. That is a perfectly valid point and a perfectly respectable argument, but I am delighted that he appears to be agreeing with the thrust of my argument that there is nothing unique about the make-up of the UK Youth Parliament that means that it should uniquely be able to do this.

Andrea Leadsom (South Northamptonshire) (Con): Does my hon. Friend accept that at this hour, and bearing in mind how many hon. Members have now left the Chamber, it seems a little unfair to be monopolising the debate when he has been such a strong proponent of a clear, honest and open debate about this very important subject? Does he agree that there may be others in the Chamber who wish to look at this more as an opportunity for young people to promote democracy and to understand their democratic rights, and less about his desire to keep this Chamber specifically for the benefit of its Members?

Philip Davies: My hon. Friend makes a curious point. She says that I am monopolising the debate, but what I am actually doing is giving way to Members who want to intervene. It seems strange to make the case that I am monopolising the debate by allowing Members to intervene. If I were trying to monopolise it, I suspect that I would not allow any interventions.

If my hon. Friend looks at the motion on which we divided earlier, she will see that she supported a motion to allow this debate to last until any hour. I think I am right in saying that she walked into the Aye Lobby to vote for that. It is no good voting to allow a debate to

[Philip Davies]

continue until any hour and then complaining when it lasts until any hour. I suspect that in future, she might wish to vote no so that the debate does not last until any hour. I am sure she will look more closely at the Order Paper in future.

Andrea Leadsom: I would just make the point that the motion that we carried earlier was not to allow my hon. Friend to speak until any hour.

Philip Davies: I think I am right in saying that it was to allow any Member to speak until any hour. I will be delighted to allow my hon. Friends to speak until any hour later on. I am sure, Madam Deputy Speaker, that if anything I have said so far had been out of order, you would have told me so. From the fact that you have not, I suspect that you are content that the things I am saying are relevant to the debate.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I am exceedingly grateful to the hon. Gentleman for giving way. May I ask him a question on what I think is the crux of his speech? Does he believe that these green Benches and the right to use them belong to us as Members, or does he believe, as I do, that they and all of Parliament belong to the people who send us here?

Philip Davies: The hon. Gentleman may feel that, in which case tomorrow during Prime Minister's questions he will presumably invite one of his constituents to sit in his place. It is not the case that by definition, any of our constituents can come and sit themselves here on these Benches. In fact, he may have noticed that usually, as he gives his constituents tours, there are signs up on the seats saying, "Please don't sit here". He appears to be on the verge of supporting the principle that some of his constituents can come and sit on these Benches but others cannot. There is plenty of time for the debate, so I am sure he will wish to tell us in his own words why he believes that and why some of his constituents are second-class citizens.

When a young person comes to me and asks me to talk about Parliament and politics, I always tell them that when a politician is given a problem to solve, their solution will always incorporate two ingredients. The first is that they have to be seen to be doing something, which is the bane of politicians' lives. I long for the day when a Minister stands at the Dispatch Box and says, "Well, actually, that's got nothing to do with me. It's for other people to sort out for themselves." They never want to underestimate their importance. The second ingredient is that their proposals must not offend anybody. If hon. Members have not already worked that out for themselves, I ask them to look out for what happens whenever a politician is given a problem. If a politician can find a solution that incorporates looking as though they are doing something and not offending anybody, they will jump on it at the first possible opportunity.

That appears to be what we are doing this evening. We want to engage more young people in politics, so what is being proposed is, "We have to look as though we are doing something, so we should let young people sit in the House of Commons Chamber. That does not particularly offend anybody, so let's go for it." However, that does not deal with why young people are so disengaged with the political process. If any Member really thinks that this sticking plaster will mean that young people will start turning out in droves at elections or engaging in the political process all of a sudden, I believe they are mistaken.

Bob Blackman (Harrow East) (Con): I am grateful to my hon. Friend for giving way so far into his speech. As parliamentarians, we exist to inspire people to come here—I think we would all accept that. Knowing that this debate was coming up, I spoke to the representatives of my area, who were desperately looking forward to the opportunity to come here and have their say. Did he consult his representatives, and what did they have to say?

Philip Davies: I do not doubt that my hon. Friend had good reason to be asleep when I dealt with a similar intervention earlier—I am sure that my speech sends everybody to sleep. It might seem a long time ago, but I remind him that I said that I had spoke to the MYPs in my area, and they did not mention that they wanted to have their debate in the Chamber.

Bob Blackman: I rise again to ask a specific question. Knowing that this debate was coming up, did my hon. Friend consult the people who are elected to come here and have their say? The point is that young people who have fought elections for the opportunity to come here are keen to take it up, and we as parliamentarians should not stop them.

Philip Davies: My hon. Friend's experience may be different, but his intervention would have been better directed at the Deputy Leader of the House—*[Interruption.]* If the hon. Member for East Dunbartonshire (Jo Swinson) will control herself, I can finish my point. If my hon. Friend were so desperate for every hon. Member to speak to their MYPs before the debate, he should ask the Deputy Leader of the House why the Government tabled the motion this morning without any warning. He is quick off the mark—as ever—but if he wanted all hon. Members to hold a wide consultation with their MYPs, he should suggest that his and my hon. Friends do not support the motion tonight, but allow themselves to take stock and revisit the situation at a later date. If that is his suggestion, I will not disagree with him—it would be a perfectly valid argument—but if he is worried that there has been insufficient consultation with MYPs, he should address that to the Deputy Leader of the House, because the motion was put on the Order Paper only today.

Jo Swinson: Far be it from me to suggest that hon. Gentleman did not begin writing his speech before today given that it is has lasted nearly an hour, but the motion was on the Order Paper yesterday. Given the medium of e-mail, the fact that he is such a strong supporter of the Youth Parliament and that he is speaking at such length, I am surprised that he could not find time in the past 48 hours to consult MYPs from his area.

Philip Davies: The reason we are having this debate tonight is not the fact that the Government have given it time, but the fact that they were unable to sneak the

motion through at the end of play yesterday without any objection. As the hon. Lady is so keen to debate such matters, I am surprised that she was not here last night to object to the motion going through on the nod. If she wants to give a lesson and set a good example to MYPs, she should advocate debates. Why was she not up complaining that we were setting a bad example by simply nodding a motion through at the end of play without debating it? I am slightly concerned that she is not doing enough to set a good example to MYPs.

James Wharton (Stockton South) (Con): Does my hon. Friend genuinely believe that those MYPs who have stayed up to watch the debate tonight will be amazed by the proceedings, the quality of the debate, and how we spend time to debate such motions when other important matters of the day go by undebated here, or are given rather less time and significantly less attention?

Philip Davies: I am certain that MYPs who are avidly watching tonight will have been impressed by my hon. Friend's intervention, and that he has enhanced their opinion of the House. However, I hope he is not suggesting that we should not debate this motion. If he thinks that the debate should not be till any hour, I presume that he did not vote for previous the motion. The Government could have tabled a motion to limit the debate so that it could last only an hour, an hour and a half, two hours or three hours, but they did not do so. It appears—I am sure he will correct me if I am wrong—that he voted for the debate lasting till any hour. Given that, I am sure that he will happily live with the consequences. Perhaps in future he will not listen so avidly to the Whips when they tell him how to vote. He may be signally disappointed again in the future.

Geoffrey Clifton-Brown (The Cotswolds) (Con): I have listened carefully to my hon. Friend's concise speech for nearly an hour and he has taken a fair few interventions. He has made two germane arguments. The first is that this gathering could take place anywhere other than in this Chamber and, second, that it sets a precedent. If it does set a precedent, we will have to have another debate and a full chance to debate it. I would be grateful if he would now address himself to the actual harm that he sees in allowing the members of the Youth Parliament to debate in this place when the Chamber is not being used for the legitimate business of this House.

Philip Davies: The point is that I am a Conservative—as is my hon. Friend—and the principle of Conservatism is embodied in the saying, "If it is not necessary to change, it is necessary not to change." As a Conservative, I believe that the onus is on those who propose change to make the case for that change. The case for no change does not need to be made. The point that I am making in my contribution—if I am allowed to get on with it—is that the case for change is a poor one. All of the arguments that have been given are spurious and do not stand up to much scrutiny. I urge my hon. Friend to ask other people to make the case for change, because they have not done so thus far.

We were told earlier that allowing members of the Youth Parliament to sit here will inspire them to get involved in politics. That is one of the arguments that was made last time. It was said that we must allow the UK Youth Parliament to sit here, because if we do so they will be inspired and become interested in politics. That is a curious argument because, by definition, those people who are members of the Youth Parliament are already interested in politics. That is why they are there. If our motivation is to try to inspire more young people to get involved in politics, we should be asking those young people who are not members of the Youth Parliament to come and have a debate here, because that might encourage them to get involved in the Youth Parliament. Why would we want to limit the opportunity to those members of the Youth Parliament who are already interested in politics?

Mr Nuttall: Does my hon. Friend agree that what is likely to inspire young people is not so much where their organisation meets, but the strong opinions of someone who is prepared to stand up and speak out for the things that they really believe in—as he is doing?

Philip Davies: My hon. Friend is absolutely right. Unlike all the previous interventions that I have taken, he has pre-empted a point that I wished to make myself.

Stella Creasy: I thank the hon. Gentleman for giving way, because obviously we have not heard much from him this evening. Will he clarify that there are some instances in which he would allow young people to use the Chamber? In which case, it would appear that his objections are to the UK Youth Parliament rather than to young people sitting in this Chamber. That would be a useful clarification of his views.

Philip Davies: The point that I am making is that there is no logic to the case for allowing only the UK Youth Parliament to use this Chamber. If people take the view that no one else should be allowed to use the Chamber, it would be a sensible and rational point of view. If someone takes the view that anyone should be allowed to use the Chamber, that would be an equally valid point of view. For the life of me—*[Interruption.]* The hon. Lady makes an intervention, but she does not seem to be particularly interested in the argument. I can only reiterate that she must have already made up her mind.

The argument that has not been made, and which the hon. Lady must make later, is why the UK Youth Parliament alone should be allowed to use the Chamber once a year for the duration of the Parliament, and why she wants to exclude every other organisation from using the Chamber. Why is that the case? Why is she making that point? It is the point that I, for the life of me, cannot understand. The Minister did not set out particularly well why the Government believe that only the UK Youth Parliament should be able to use the Chamber.

Barry Gardiner *rose—*

Hon. Members: Sit down!

Philip Davies: Does the hon. Gentleman want to intervene?

Barry Gardiner: The hon. Gentleman asked the difference between the Youth Parliament and any other. He has heard—although he may not have listened to it—the

[Barry Gardiner]

response given three times this evening: every other group has a right to stand for Parliament, but those in the Youth Parliament do not, by virtue of their age. They are precluded from doing that. That is why they should have the opportunity to come and debate these things here.

Philip Davies: The hon. Gentleman seems to think that members of the UK Youth Parliament are unique in not being able to vote or stand for Parliament at a general election. That, I am afraid, is not the case. They are not unique. No young people have the opportunity to participate in general elections, not just members of the UK Youth Parliament. As I made clear earlier, the royal family do not have the opportunity to vote in elections. [HON. MEMBERS: "Sit down!"] Well, this is a repetition of an intervention. Does the hon. Gentleman not accept my point? Prisoners do not have the opportunity to vote or stand for Parliament. People who are bankrupt do not have the opportunity to stand for Parliament. Again he has failed to say why the UK Youth Parliament is unique. Yet again, he has spectacularly failed to answer that point.

Jacob Rees-Mogg (North East Somerset) (Con): I am shocked that my hon. Friend is making a socialist point and saying that just because everyone cannot do it, nobody should be doing it. That is the antithesis of Conservatism. May I also correct him when he says that members of the royal family cannot vote? Our sovereign lady cannot vote, but members of the royal family who are not peers in their own right can vote.

Philip Davies: I am grateful to my hon. Friend, who certainly is not the antithesis of Conservatism. I am checking whether the Whips are still writing notes, because it would be helpful if they have noted that I am not the antithesis of Conservatism: that would be helpful for my career prospects. I am grateful that he made the point that I am the antithesis of Conservatism. Thank you for that, Madam Deputy Speaker.

My hon. Friend the Member for Bury North (Mr Nuttall) made the most salient point: younger people do not vote at general elections, not because we do not allow them to use the Chamber or because we do allow them to use it, but because we do not inspire them to vote. The onus is on us. *[Interruption.]* I note the laughter from the Liberal Democrat Benches, but the point I am making is that what inspires people to vote in elections is people who stand up and have clear views and beliefs and are prepared to stand on matters of principle. That is what inspires people to vote. Perhaps Liberal Democrats might wish to consider that.

It is delusional to pretend that we can carry on as we always have done and trot out the same meaningless stuff that will not offend anybody, or that we can go around saying nothing worth while or meaningful and hope that nobody notices, while claiming that allowing the Youth Parliament to sit in the Chamber will inspire young people to vote. Young people do not want to vote because they never hear arguments and ideas; they never hear a battle about ideas. I was lucky enough to be brought up to be interested in politics in the 1980s, when there was a clear difference between the main political parties. Whichever side of that divide one happened to be on, it was perfectly clear where we were. I was a great admirer of Margaret Thatcher as Prime Minister. She was the person who inspired me to enter politics. No doubt lots of Opposition Members felt exactly the opposite. They knew exactly which side of the fence they were on.

The problem that we now have with inspiring young people to vote is that when they listen to debates, they are not entirely sure which side they agree with, or even which side sticks up for their principles. Indeed, when Tony Blair was the leader of the Labour party and my right hon. Friend the Member for Witney (Mr Cameron) was the Leader of the Opposition, it was sometimes difficult for young people who were just getting interested in politics to know which side of the political divide they were on, or which way they should vote in an election. My point is that if we want to inspire young people to go out and vote in elections, the onus is on us to start having a battle of ideas and stand up for what we believe in, rather than just saying what we think might be popular or politically expedient.

To all those people who have been grandstanding in here about how important it is for the Youth Parliament to sit in this Chamber, let me say this. I hope that they will go away from this debate and think about what else they can do. Part of that battle might be about standing up and saying something controversial or unpopular every now and then—standing on a point of principle, arguing their point of view and trying to change public opinion, rather than just trying to follow it and saying "motherhood and apple pie" things, in order to get a nice little press release in their local papers. That is not what inspires young people to get involved in politics, and if people think that they can cover all that with an annual debate in this Chamber, they are sadly mistaken.

Other people may want to have debates in this Chamber—other people whose issues do not—

Madam Deputy Speaker (Dawn Primarolo): Order. This may be a good opportunity to remind the hon. Gentleman and the House of Standing Order No. 42, and to draw hon. Members' attention to the need not to allow their contributions to become somewhat tedious through repetition of the same arguments. I hope that in continuing the debate this evening, the hon. Gentleman and others will pay attention to that Standing Order.

Philip Davies: I am grateful to you, Madam Deputy Speaker, although I am not entirely sure to what in my speech you were referring. I am certainly open to clarification, but I hope that you will also accept that if an intervention is repetitive, I will still want to answer the question. If other Members mention a point that has already been mentioned, I will feel obliged to deal with it, but perhaps you could give me some guidance on that point.

Madam Deputy Speaker: Order. The hon. Gentleman has been speaking for a long time, and as he has pointed out, he has done his best to stay in order. However, staying in order does not include questioning the Chair with regard to the proceedings. I therefore hope that he will now continue to make the important points that he says he wants to make to the House, but which he has not already made.

Philip Davies: I am grateful to you, Madam Deputy Speaker. I take your intervention, which I absolutely accept, as a signal not to accept any more interventions. I will try to work on that basis, so that I can set out the arguments that I wanted to set out, but which I have been deterred from setting out by lots of people wishing to intervene in my speech. I hope that other people are just as generous when they make their speeches.

One of the arguments put forward for the Youth Parliament last time was that having its debate in this Chamber would raise its profile around the country. Hon. Members might have done some detailed survey work on that, but I would be interested to see all the opinion polls that show that the public now have a better grasp of the UK Youth Parliament than they did last year, before its debates took place. That was supposed to be one of the key measures of success last year, so I was surprised that neither the Deputy Leader of the House nor the shadow Deputy Leader of the House—nor, indeed, any of the many hon. Members who have made interventions—made the case by saying where it is clearly stated that the UK Youth Parliament's profile is now much higher.

If we want to raise the profile of certain issues—youth issues may well be one of them—perhaps we can also raise the profile of other issues. I do not understand why we need the Youth Parliament to have a debate in this Chamber in order to raise its profile. Why would a debate held elsewhere not also raise its profile? I hope that Members who are in favour of the motion will deal with that point.

I would also like to talk, Madam Deputy Speaker—*[Interruption.]* Oh, Mr Speaker, I apologise. I want to deal with one of the interventions made by a Liberal Democrat Member who spoke about members of the UK Youth Parliament being unique in not being able to vote. The Liberal Democrats might like to have a word with their hon. Friend the Member for Taunton Deane (Mr Browne) who in last year's debate made the same point that I have—that many people, including prisoners, do not have the right to vote. If my point of view is so unacceptable, Liberal Democrat Members might like to speak to the hon. Member for Taunton Deane.

Mr Chope: Does my hon. Friend remember the hon. Member for Taunton Deane (Mr Browne) saying in last year's debate that he thought that the proposals for the Youth Parliament to sit here were seeking to patronise one youth organisation while neglecting other important ones?

Philip Davies: I think that is absolutely right, which brings me back to the thrust of my argument. What is so special about the UK Youth Parliament? Why is it so much more important than any other organisation? That is a particular point.

I want to move on to the point about cost. The Minister did not mention the cost. I hope that he will. I will certainly give way to him if he wants to make it clear. What estimate has been made as to how much it will cost for the House authorities to open up the Chamber for a day for the Youth Parliament? In last year's debate, the figure bandied around—I have no idea whether it was accurate or not—was between £30,000 and £40,000. If the Minister would like to confirm or deny those figures, I am sure it would be particularly helpful. If that is an appropriate figure, I think that we should be discussing whether that is a necessary use of public funds in this age of austerity, and whether the money could be spent in a better way.

The views of members of the Youth Parliament were mentioned earlier by the Minister. Perhaps I can issue a challenge to him. He might like to go out and speak to young people in his constituency and ask them how they would like to see £30,000 to £40,000 spent for the benefit of the Youth Parliament. Would they want it spent on having a debate here? The answer may well be yes—I do not know—or would they prefer the money to be spent on other ways of engaging young people to take part in debates and engage in the political process? Is there no better use of money to deliver what we all want at the end of the day—more young people engaged in political activity and debate?

I was issued a challenge earlier about whether I had asked my MYPs about their views on having a debate here, but I would issue the same challenge to all hon. Members. Have they asked their MYPs how they would like to spend the money that is to be spent on this debate if they had a choice? If we ask people, "Would you like a Rolls-Royce?", most will say yes. If we say, "Would you like a Rolls-Royce if you had to spend the rest of your life living in a tent to pay for it?", they might say no. Before we say to people, "Would you like a debate in the House of Commons Chamber?", we should put the pros and the cons and the costs to them, and then ask them for their view. It might well be a different view. Young people are just as sophisticated as other people here. They may well weigh up the pros and cons and come to a different opinion if all that is put before them.

Bob Russell (Colchester) (LD): I would like to ask the hon. Gentleman a very simple question. In this age of austerity, in which he is anxious to ensure that money is not wasted, has he pondered the cost to the public purse of his antics over the last hour or so?

Philip Davies: I am not entirely sure what antics the hon. Gentleman is referring to. If he means giving way to lots of interventions, I would be very disappointed if he thought that that was some kind of antic. I thought that the whole point of a debate in this Chamber was that when people are making a speech and other people wish to intervene, they give way and allow them to make their point. If the hon. Gentleman is saying that he does not think that that is an appropriate thing to do in a debate, I find that very disappointing. I think I have been very generous in giving way to people's interventions in order to allow them to make their point. I would not give way if people were not seeking to catch my eye. I hope that the hon. Gentleman is not suggesting that we should curtail this debate, too, in order to save costs. If he is, I should point out that I did not observe him in the No Lobby when he was invited to vote for a motion to keep the debate going "until any hour". I presume that, like many others, he voted to allow it to last "until any hour". If he does not want it to last until any hour, perhaps he should not have voted for that a few moments ago. Again, he has not thought through the consequences of his voting.

Mr John Leech (Manchester, Withington) (LD): In the current age of austerity, would the hon. Gentleman also suggest that we ban visitors from the House of Commons to save money?

Philip Davies: I knew that it would be a mistake to give way to the hon. Gentleman. Perhaps we can have a chat in the Tea Room later and he can tell me exactly what his intervention meant, because for the life of me I could not understand a word that he was saying. I am sure that that is a reflection on me rather than on the hon. Gentleman, however, because I know that he always makes pertinent points.

Caroline Lucas (Brighton, Pavilion) (Green): One of the reasons why many of us would like to curtail this debate is that it is no longer shedding any light on what we are supposed to be discussing. The hon. Gentleman has asked several times what inspires young people. May I suggest that what inspires them is debates about things that really matter—debates about withdrawal from Afghanistan, financial cuts and Trident—not debates about things that simply should not be controversial? I know a young person who is watching the debate now, and I know that he is horrified that we are sitting here at 12.20 am thinking that this is a good way to spend our time. May I please suggest that we do curtail the debate?

Philip Davies: If the hon. Lady does not want to—

Mr Alistair Carmichael (Orkney and Shetland) (LD) *claimed to move the closure (Standing Order No. 36).*

Question put forthwith.

That the Question be now put.

The House divided: Ayes 103, Noes 3.

Division No. 34] **[12.21 am**

AYES

Afriyie, Adam	Green, Kate
Andrew, Stuart	Griffith, Nia
Baker, Steve	Hames, Duncan
Barwell, Gavin	Heath, Mr David
Bebb, Guto	Hilling, Julie
Berry, Jake	Hodgson, Mrs Sharon
Blackman, Bob	Horwood, Martin
Blenkinsop, Tom	Howell, John
Bray, Angie	Hughes, Simon
Bryant, Chris	Jones, Andrew
Buckland, Mr Robert	Kawczynski, Daniel
Burley, Mr Aidan	Keeley, Barbara
Burns, Conor	Lee, Jessica
Carmichael, Mr Alistair	Leech, Mr John
Clifton-Brown, Geoffrey	Long, Naomi
Cooper, Rosie	Loughton, Tim
Creasy, Stella	Lucas, Caroline
Crockart, Mike	McCabe, Steve
Cunningham, Alex	McCarthy, Kerry
David, Mr Wayne	McCartney, Jason
Docherty, Thomas	McCrea, Dr William
Dodds, rh Mr Nigel	McGovern, Alison
Doyle-Price, Jackie	McIntosh, Miss Anne
Dunne, Mr Philip	McLoughlin, rh Mr Patrick
Ellison, Jane	Menzies, Mark
Engel, Natascha	Miliband, rh Edward
Evans, Graham	Munt, Tessa
Farrelly, Paul	Murray, Ian
Farron, Tim	Newton, Sarah
Francois, rh Mr Mark	Ollerenshaw, Eric
Gardiner, Barry	Paice, Mr James
Garnier, Mark	Pawsey, Mark
Gilbert, Stephen	Percy, Andrew
Glindon, Mrs Mary	Phillipson, Bridget
Goodwill, Mr Robert	Pincher, Christopher
Greatrex, Tom	Pound, Stephen
Randall, rh Mr John	Swales, Ian
Rees-Mogg, Jacob	Swinson, Jo
Reid, Mr Alan	Tomlinson, Justin
Reynolds, Emma	Vara, Mr Shailesh
Reynolds, Jonathan	Wallace, Mr Ben
Russell, Bob	Wharton, James
Shannon, Jim	White, Chris
Shelbrooke, Alec	Wiggin, Bill
Simpson, David	Williams, Stephen
Skidmore, Chris	Williamson, Chris
Skinner, Mr Dennis	Winterton, rh Ms Rosie
Smith, rh Mr Andrew	Wright, Mr Iain
Smith, Miss Chloe	Young, rh Sir George
Spellar, rh Mr John	
Stephenson, Andrew	**Tellers for the Ayes:**
Stewart, Iain	**Angela Watkinson and**
Stunell, Andrew	**Stephen Crabb**

NOES

Bebb, Guto	**Tellers for the Noes:**
Rees-Mogg, Jacob	**Mr Philip Hollobone and**
Wharton, James	**Mr David Nuttall**

Question accordingly agreed to.

Main Question put accordingly.

The Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 21 July (Standing Order No 41A).

Philip Davies (Shipley) (Con): On a point of order, Mr Speaker. Is it in order for hon. Members to vote at a certain point in the evening for a debate to last until any hour, and then for those same Members to vote a few hours later for a closure motion?

Mr Speaker: The hon. Gentleman asked whether that was in order, and the simple answer is yes. If there are no further points of order, we shall proceed to the presentation of public petitions. I call Mr Peter Bone. *[Interruption.]* Order. I know it has been a long evening, and I am grateful to hon. and right hon. Members for their forbearance and good humour. May I just appeal to hon. and right hon. Members who are leaving the Chamber to do so quickly and quietly, because others will want to hear, as I certainly do, the presentation by Mr Peter Bone of the public petition in relation to the matter on the Order Paper.

PETITIONS

Proposed redevelopment of Rushden Hospital site (Northamptonshire)

12.33 am

Mr Peter Bone (Wellingborough) (Con): Good morning, Mr Speaker. I am delighted, at just after half-past midnight, to present this petition from the residents of Rushden in Northamptonshire and the surrounding areas, which concerns the redevelopment of a hospital site. Some 25% of the people in Rushden petitioned me to have an NHS facility on that site, but the local NHS has decided to put houses on it.

The petition states:

To the Honourable the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled.

The Humble Petition of residents of Rushden, Northamptonshire and the surrounding areas,

Sheweth that the proposed redevelopment of the Rushden Hospital site for housing is unpopular, ill-advised and detrimental to the residents of Rushden; that over 25% of the residents of Rushden petitioned the House of Commons for a new outpatient facility in the town, the majority wanting the new facility on the Rushden hospital site; that the proposal to build housing on the site instead of an NHS facility is unacceptable and the impact on the surrounding roads of a large housing development and the density of the development and the proposed cut-through to the Greenacre Drive Estate is wholly detrimental to local residents.

Wherefore your Petitioners pray that your Honourable House urges the Secretary of State for Communities and Local Government to urge the Department of Health to withdraw the planning application and further urges him to request that the District Council of East Northamptonshire and the County Council and the Primary Care Trust work together to provide a suitable health facility on the site.

And your Petitioners, as in duty bound, will ever pray, etc.

[P000844]

World Education

12.36 am

Mr John Leech (Manchester, Withington) (LD): I would like to submit a petition on behalf of hundreds of the children, parents and friends of Cavendish primary school in West Didsbury in my constituency. They have signed a petition in support of the 1GOAL Send My Friend to School campaign, which calls on world leaders to ensure that all children around the world will have a primary school education by 2015. I suspect that this is the first time that a petition has been submitted on the Floor of the House in the form of a scarf.

The petition states:

The Petition of the constituents of Manchester Withington and others,

Declares that world leaders have promised that all children will have a primary education by 2015, but with only five years left to go there are still 72 million children missing out on an education completely.

The Petitioners therefore request the House of Commons to urge the Government to act quickly and decisively to ensure that the goal of all children obtaining a primary education by 2015 is indeed obtained.

And your Petitioners, as in duty bound, will ever pray.

[P000845]

Dangerous Dogs

Motion made, and Question proposed, That this House do now adjourn.—*(Mr Vara.)*

12.38 am

Angie Bray (Ealing Central and Acton) (Con): I am grateful for the opportunity finally to raise this difficult issue, which is not just a continuing problem for many of my constituents who find their visits to local parks and their movements on the streets and even on local buses blighted by intimidating dogs and their owners. This is a growing problem, and I am certain that it affects countless others in urban and suburban areas. I have been talking to the Royal Society for the Prevention of Cruelty to Animals and I have discovered that Ealing is the ninth-worst borough for this problem. According to some of the statistics, it seems to be the fifth-worst, so it is little wonder that so many of my constituents have wanted to raise their anxieties with me. I know that Ealing council takes the problem extremely seriously and that it is in discussions with a number of organisations to plan a way forward.

We need to be very clear about this issue because there are different aspects to what is quite a complex matter. One aspect is the dogs that are simply out of control. Not long ago, on Acton green, almost outside my house, a Rottweiler attacked a pet that was being walked there and injured it quite seriously. The Rottweiler had been rescued by a lady who had no intention of setting it on anything, but she clearly had not learned how to manage it properly. The RSPCA thinks that the best way forward in such instances is to give those owners some education in an early intervention to try to teach them how to be more responsible. I am sure that that is the right way forward. Getting the RSPCA lined up with specific cases may be a little difficult, but that is a discussion for another night.

I want to deal with an issue that is in many ways far more serious: dogs that are intentionally trained by their owners to be nasty and intimidating. That growing menace is always about young—almost always—men with large fierce dogs attached to a lead and usually fitted out with full studded collars. They are called status dogs, and that is all about machismo or certainly about displaying potential aggression. The dogs accompany those owners pretty much as a weapon, but, crucially, whereas carrying a weapon such as a knife involves a certain penalty, owning such dogs does not, which is exactly why they are the growing weapon of choice at the moment. Sometimes, drug dealers will use those dogs to protect themselves as they trade and perhaps to enforce their trade, particularly against rivals. Other people may train the dogs for fighting. Unfortunately, dog fighting is a lucrative sport, although rather a grotesque one. Other people are simply demonstrating who is boss on a piece of local territory.

Innocent members of the public who go into parks with their families and pets to enjoy a day out do not know whether those dogs will be let off their leads at any stage, and if they are, they do not know whether they will then run after them and attack them, their pets or, worst of all, their children. Frankly, it is absolutely unacceptable that, instead of being able to enjoy their day out, they must spend their time looking over their shoulders.

[Angie Bray]

What can be done to tackle this menace? I am not expert in the field and it will be for others who are to find the right solutions. My purpose is to urge the Department for Environment, Food and Rural Affairs to get moving on the issue as quickly as possible.

I have received some ideas from the organisations that I have spoken to. First and foremost, I do not believe that going after dog breeds is the right way forward. I have my doubts about the Dangerous Dogs Act 1991. Pit bulls may look vicious, but they are not necessarily born vicious. Like any other dog, they are just born; what happens next can turn them into something altogether more unpleasant. The problem with pit bulls, of course, is their physical size and strength. If an owner sets out to turn them into something nasty, they turn into something quite lethal, but that is not how they start out. My contention is that we should be targeting not dangerous dogs, but dangerous owners.

Jane Ellison (Battersea) (Con): I want to support that view. I represent Battersea, and Battersea dogs home is a great source of expertise. It says that those dogs come through its doors as the victims of irresponsible back-street breeding and irresponsible ownership. It is a tragic sight to go to the dogs home and see many dozens of abandoned dogs that have little chance of being re-homed because someone bred and treated them irresponsibly.

Angie Bray: I thank my hon. Friend for that intervention. I know Battersea dogs home well. In fact, I got my first rescue dog from Battersea dogs home, so I know what fantastically good work it does. It is very much involved in the discussions about how we can get more responsibility into dog owning. I look forward to hearing more from it about what it has to say.

Obviously, we must find out how we can best get rid of the threat in our open spaces. Who can do that? Obviously, we have the police and safer neighbourhood teams. Councils employ park rangers and dog wardens. Of course, the problem is one of resources. The Metropolitan police have also set up a status dog unit, which has been fully supported by the deputy Mayor of London, Kit Malthouse, who is doing a lot of work in this respect. The new unit is operating effectively throughout London, but it is still relatively small, so we need to think about how we get resources into addressing the problem. My local police are frank in telling me that if someone says that their dog has been attacked by another dog, the police will not intervene—they say that dogs fight each other—because they do not have the necessary resources. However, as I have pointed out, the problem is that if a dog is attacked today, that might be a child tomorrow.

Given the question of resources, I am wary about bringing back the old licensing system, which probably cost more than it raised. An annual round of licensing would impose an additional tier of bureaucracy on owners, and the trouble would be that the good guys would get the licences while the bad guys would ignore them. I am also aware that we must look after our pensioners, who often depend on animals for company more than anyone else, so I do not particularly want to impose anything on them. However, I might be persuaded of the case for a one-off dog licence—a life licence—that would involve making a payment when the ownership of a dog was taken up, provided that the revenue was properly ring-fenced for policing dangerous dogs.

Jake Berry (Rossendale and Darwen) (Con): Last weekend, I visited Pets Corner on Bank street in Rawtenstall, which is a town in my constituency. Pets Corner will microchip dogs for less than £10. Does my hon. Friend agree that as the cost of microchipping has fallen to such an extent, and given that, unlike a dog licence, it is a whole-life solution, now might be the time to consider compulsory microchipping?

Angie Bray: We should consider microchipping because it offers a good approach to encourage more responsible dog ownership. Whatever else one says, it means that the owner is indelibly linked to the dog and will therefore be much more concerned about how it behaves, especially if they have to take responsibility for that. Microchipping has an important part to play and I welcome the fact that many rescue centres, including Battersea, send out all their dogs with microchips, which means that we know that they are properly registered, which is an important step forward. However, given that much of the problem is due to people who think that they and their dogs are beyond the law, I suspect that that will not be the whole answer to dealing with awful dogs.

I have been given a couple of straightforward, simple ideas that could really help without increasing the need for resources. The first, which was put to me by my local police, is the introduction of a new type of court order that would be attached to the sentence of anyone found guilty of any kind of crime involving violence or drug dealing. I am not saying that the order should apply to the first offence, but it might apply to a second and it almost certainly should apply to a third. The court order would provide that a person found guilty of such a crime would be banned from being in control of a dog in a public place for x years—I leave it to others to decid the time, but I would suggest about five years. The police say that they know their local criminals, so if they saw those people out and about with a dog, they would find it easier to know that they should intervene quickly. I purposely talk about being in control of a dog rather than owning one because the order would mean that those people would not be allowed to have any dog with them over that time period, including if they were walking their grandmother's poodle. That approach would allow the police to intervene on people with a violent record.

My second simple idea, which I know that Ealing council is considering—I am sure that other local authorities are also considering it—is to attach conditions on dog ownership to tenancy agreements. Those conditions could range from banning dogs from certain properties, which would be a good idea for tower blocks, to limiting ownership to only one dog. The conditions could certainly deal with dogs that are a nuisance to neighbours. If neighbours complain about a dog, it should be easy to ensure that either the owner agrees to get rid of the dog or they have to move out. The microchipping rules would help with that, too, because if dogs that run amok are microchipped it is much easier to find out who owns them.

I appreciate that those measures will not deal with the whole problem, but they would at least begin to provide people with some reassurance that the worst owners were being targeted, and that their ability to use intimidating dogs to threaten their community was being removed.

I am a long-standing, enthusiastic dog owner. I have had two rescue dogs. The first came from Battersea dogs home and the second from the Blue Cross, and both were difficult dogs to begin with. One in particular had had a bad start in life and had been badly treated by their owner, and both were tricky, but my partner and I devoted a lot of TLC to them and in the end they turned out to be very nice dogs. The reason why I mention this is that, importantly, dog ownership cannot be taken lightly. It requires a certain amount of dedicated time in which the dog must be socialised as well as cared for. The dogs that I have been largely concerned with in this debate are those that receive none of that TLC. They endure a life of cruelty and training to turn them into something lethal. Their owners have absolutely no sense of responsibility towards the communities in which they live, and it is precisely those people whom we need to target.

I know that the issue is already under consideration at DEFRA, but we do need more urgency. During these summer months, in particular, when people want to be out enjoying their open spaces, it really is offensive when they have to share quite limited space with someone who is setting out to make them feel nervous and intimidated. That is a real blight on people in London, in suburbs and in urban areas throughout the country, and we really need to lift that blight as soon as possible.

12.52 am

Stephen Pound (Ealing North) (Lab): I congratulate the hon. Member for Ealing Central and Acton (Angie Bray) on securing this Adjournment debate about a subject that is of increasing importance not just to those of us in the suburbs, but to people throughout the country.

Last Sunday afternoon I was delighted to be present at the Framfield allotment association, and I met a brindle Staff that had been rescued from a dog-fighting ring. That dog had been saved, and it revealed a gentle sweetness of character, but, had it remained with those who tortured it to torture other people, it would have become the slathering beast that they wished it to be. Dogs can be rescued, but importantly, we are faced with a problem that revolves around three areas.

First, dogs are used in the commission of crime. They can be used to force someone to hand over their possessions. People are threatened with the dog, which is a weapon in that criminal activity, and they are also used in many cases to guard drug dealers or drug stashes.

Secondly, there is dog fighting, but the Metropolitan police force has been very proactive, and the hon. Lady tangentially referred to Inspector Jenkins of Ealing police station, who has been closely involved in dealing with that.

Thirdly, there are the dogs that are simply brought up in chaos. One can walk into a small flat on the sixth or seventh floor of a tower block and see eight or nine dogs running wild, and that is cruel to the dogs, vicious for the children who live in the flat and destructive to the community.

The problem is evident; the solution is one that we have to address. I have always admired the Minister, but I have some sympathy for him in this case. We are asking DEFRA to be the lead Ministry, but the subject moves into the Home Office's jurisdiction and a number of others. It is a truism that we in this House enter into legislation involving dogs with considerable trepidation, because our track record is not brilliant, but we are at the stage where we need a lead Minister, a lead agency and a lead Ministry to pull together those various strands. We need a solution to the problem of the ordinary family enjoying an al fresco afternoon and meal while quietly picnicking in, say, Pitshanger park, a piece of land that abuts both our constituencies, when suddenly a dog comes bursting through to the delight of the people who are supposed to be responsible for it. That is threatening, bullying, vicious and dangerous, and it destroys young children's trust in open spaces and the open air.

We need to have a solution to the problem at the time. The hon. Lady is absolutely right; we have the police, the safer neighbourhoods teams, the dog wardens, the RSPCA and so many other agencies. We need to draw up an established protocol, hopefully Government led, which can pull together those agencies and link up with the other issues. I mentioned the Home Office, but the Department for Communities and Local Government is also relevant. Most council property and registered social landlord tenancies contain the clause that the tenancy will be nullified if its terms and conditions are not kept to. Although not all of them specifically exclude dogs other than companion animals and guide dogs, all—almost without exception—will have a clause saying that the tenant or their agents are enjoined not to cause annoyance or nuisance to neighbours. The dogs that we are discussing are demonstrably that.

We have laid the problem before the Minister, and we look to him with confidence to provide the solution. The extent and scale of the problem is exemplified by this meeting across the Chamber; just as the hon. Member for Ealing Central and Acton and I meet in Pitshanger park, we meet across the Chamber today. The problem being debated is increasingly serious and, sadly, we are at the stage where a child could be seriously hurt. A whole community is being threatened. We look with confidence to the Minister for a solution.

12.56 am

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): I congratulate my hon. Friend the Member for Ealing Central and Acton (Angie Bray) on securing this debate on an important subject. I assume that it is her first Adjournment debate, and she has got off lucky; my first Adjournment debate was called at 3.15 in the morning, so this is early by comparison.

I fully understand the importance of the issue that my hon. Friend raises. Members who, like me, represent more rural constituencies do not see the problem as much as my hon. Friend and the hon. Member for Ealing North (Stephen Pound) do. Nevertheless, we are very aware of it. I respond directly to the challenge of the hon. Gentleman: the issue of dangerous dogs falls squarely within the remit of the Department for Environment, Food and Rural Affairs. He is right about cross-cutting with other Departments. My noble Friend Lord Henley is directly responsible for that part of the Department's activities, although, as I shall try to demonstrate, there are areas on which we work closely with other Departments.

We take the issue seriously—so much so that the coalition agreement makes an explicit commitment to tackling the problem. Both hon. Members said that

[Mr James Paice]

there are many strands to the problem. There is the irresponsible ownership—at the lesser end, but still a serious issue—and there is the clear problem of dogs being used to intimidate and as part of the commission of crime. Furthermore, there is organised dog fighting. All those issues have a knock-on effect on the welfare of the dogs, let alone all the other problems that they cause society.

Most of us find it difficult to understand why people would want to keep a dog, particularly one of the more vicious breeds, as a status symbol. The need that those people feel to have such a dog alongside them to bolster their image is probably a sign of their inadequacy. Nevertheless, it happens and we have to address it.

Many suggestions have been made. As hon. Members must be aware, the previous Government commissioned a consultation on the problem. That period has finished and we are analysing the results, which we will publish. I was pleased to hear my hon. Friend say that she does not necessarily believe that the issue requires more legislation. She made a couple of suggestions, which I shall come to. As I shall try to describe, there is a plethora of legislation on the matter—too much, some would argue. It is often a matter of enforcement. The Dangerous Dogs Act 1991 has become a bit of byword for hasty legislation, but the reality is that in the 19 years since it was passed nobody has come forward with a comprehensive alternative.

Martin Horwood (Cheltenham) (LD): Will the Minister give way?

Mr Paice: Very briefly.

Martin Horwood: I am grateful, given the hour. Is the Minister aware of the Bill proposed in another place by my noble Friend Lord Redesdale, which is intended to tackle some of the issues to do with ownership and microchipping, while shifting comprehensively away from the specific list of obscure breeds towards the deeds and behaviour of the dog, and indeed the owner, which seems to get to the crux of the issue that the hon. Lady rightly identified? What is his view of that proposed legislation?

Mr Paice: We are very much aware of Lord Redesdale's Bill. My noble Friend Lord Henley is looking at it very carefully and trying to work with Lord Redesdale on it. We have our doubts about some aspects, but I recognise that it is a noble attempt to try to deal with the problem.

Part of the problem has been the lack of enforcement across the country. We clearly want to see better enforcement, and we have provided better guidance and funding for training in police forces. Both hon. Members who spoke referred to the Metropolitan police, who have their specialist status dogs unit to target the problem. That has resulted in more dogs being seized year on year in the London area. I understand that between April 2004 and April 2005, just 42 dogs were seized, by 2008-2009 the figure had risen to 719, and it is expected that in the past year up to April 2010 the figure will have been 1,100. That dramatic increase demonstrates the importance of the issue.

My hon. Friend the Member for Ealing Central and Acton referred to council housing leases and social landlords. Earlier this year, the Department for Communities and Local Government published guidance for social landlords entitled, "Tackling anti-social behaviour: Tools and powers—toolkit for social landlords". That includes the powers available under current legislation for social landlords to tackle dangerous dogs. More recently, DEFRA facilitated the production of guidance for magistrates courts designed to help to speed up cases involving dangerous dogs. Last year, DEFRA issued widely welcomed guidance aimed at enforcers of the legislation. It was written in association with the police and the RSPCA, as well as some local authorities, to set out the law in detail and provide advice.

I want briefly to refer to the existing legislation and then address some of the points that may take us forward. The 1991 Act provides the police with powers to take action when any dog becomes dangerously out of control in a public place or a place where it has no right to be. Offences under that legislation have risen considerably. The Act also prohibits the keeping of certain types of dog. I understand what my hon. Friend and the hon. Member for Cheltenham (Martin Horwood) said about the problems of specific breeds. However, the fact is that in 2004, 17 people were successfully prosecuted for that offence, and by 2008 that figure had risen to 115. The maximum penalty for keeping a keeping a prohibited type of dog is six months imprisonment, a fine of £5,000, or both.

Importantly, the police have also said that the prohibition of certain types of dog is useful in tackling organised dog fighting, as it is predominantly pit bull terriers that are used. I hear the point made by my hon. Friend about the problem being the owner, not the dog, but there is a bit of a caveat to that—certain dogs are far more predisposed to aggression. Why else does everybody want to use a pit bull? Clearly it is easier to use them; we do not see many fighting chihuahuas around the countryside.

Martin Horwood: Will the Minister give way?

Mr Paice: No, I cannot, I am sorry. I am really tight for time.

The 1991 Act strengthened the powers available to magistrates courts to place controls on dogs under the Dogs Act 1871. Those controls can be about muzzling a dog, keeping it on a lead, excluding it from specific places or having it neutered. The maximum penalty for failing to comply is £5,000.

The Offences Against the Person Act was passed back in 1861 but is still valid because of the point that the hon. Member for Ealing North made—it can be used in a situation in which people use a dog as a weapon. The maximum penalty is five years in prison. There is also the Animal Welfare Act 2006 and the Clean Neighbourhoods and Environment Act 2005.

The consultation that was carried out recently addressed a range of issues, such as extending the current criminal offence in the 1991 Act of allowing a dog of any type or breed to become dangerously out of control to private property where a dog has a right to be but where it may well still be a danger to young children. There is also the serious problem of attacks on public workers, particularly postal workers, in gardens or drives. It also invited

comments on whether the prohibition of certain types of dog should be repealed, as we have discussed, or extended to other breeds.

The idea of compulsory insurance was given short shrift. The then Government put the matter in the consultation and rightly decided quickly that it was not the right way forward. People's advice and views were requested on the introduction of dog control notices, and the Royal Society for the Prevention of Cruelty to Animals has indicated that improvement notices have been successful. It considers that dog control notices could also work well.

Some people advocate compulsory microchipping. At the moment, our view is that as with licensing, the people whom we are trying to address would not do it. One could argue that dogs found without a microchip would be destroyed, but we would end up with the serious problem of having to destroy a large number of dogs. Again, the majority would be paying for the sins of the minority.

Finally, my hon. Friend proposed that anyone convicted of a violent or drug-related offence should not be allowed to have control of a dog. That is clearly a matter for the Home Office, and I will try to ensure that it is aware of the suggestion and gives it the consideration that it merits.

The Department for Environment, Food and Rural Affairs and the whole Government take the matter very seriously. We are aware of the concerns and I am grateful to my hon. Friend for drawing them to the attention of the House. I promise her that we will not let the matter slip.

Question put and agreed to.

1.7 am

House adjourned.

House of Commons

Wednesday 21 July 2010

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

SCOTLAND

The Secretary of State was asked—

Scottish Economy

1. **Julian Smith** (Skipton and Ripon) (Con): What recent discussions he has had with CBI Scotland on the condition of the Scottish economy. [8911]

The Secretary of State for Scotland (Michael Moore): I have had productive discussions with CBI Scotland and others on the Scottish economy, as has my right hon. Friend the Under-Secretary, and I plan to meet them again in the near future. Our plan to cut the record budget deficit that this Government inherited is the key to ensuring a sustained economic recovery.

Julian Smith: In the years to come, it must be the private sector that creates the growth and jobs in Scotland; it is not realistic to have an ever-increasing public sector there. Does the Secretary of State agree that for my constituents in Skipton and Ripon to be funding an ever-expanding Scottish state is an unfair situation?

Michael Moore: Across the United Kingdom we inherited a huge deficit in the public finances, which we have to tackle. If we do not, it will not be in just the private sector but the public sector where difficulties will arise.

Angus Robertson (Moray) (SNP): Recent economic indicators show that the recession in Scotland has been shorter and shallower than in the rest of the UK, but the recovery is fragile. Does the Secretary of State therefore agree that the case for proper financial responsibility in Scotland to help drive economic growth makes sense?

Michael Moore: I quite accept the underlying figures that the hon. Gentleman refers to, and the situation in Scotland and in the whole of the UK is indeed challenging. However, as far as future financial accountability and other issues in Scotland are concerned, we believe that the Calman proposals, which we will bring forward in this House, offer the best way forward.

Angus Robertson: Professor Andrew Hughes Hallett, who advised the Calman commission, says that proper fiscal responsibility could significantly add to Scotland's GDP. Is the Secretary of State looking closely at the proposals for growth and not just at a funding mechanism, which will not achieve that?

Michael Moore: I am sorry but I do not accept the hon. Gentleman's proposition, and nor should he ignore the others who sat with Professor Hughes Hallett on the Calman commission expert group. They have recently again made it plain that they believe these are the most appropriate powers to give to Scotland at this time.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): In my right hon. Friend's discussions with the CBI, did he recognise that it is very important to build on the success stories in Scotland in order further to advance the Scottish economy? To that end, with the north-east of Scotland providing so much revenue to the Treasury, will he ensure that all levels of government realise how important it is that there be no barriers to investment there, and that companies locating there benefit both the region and the UK?

Michael Moore: My hon. Friend is absolutely right about that, and in getting private sector-led recovery in this country, businesses such as those in the energy sector in the north-east will be absolutely critical. I take on board all the observations he makes.

Mr Brian H. Donohoe (Central Ayrshire) (Lab): The right hon. Gentleman is having meetings with the CBI, but does he understand that the Government's cancelling the third runway at Heathrow will have a remarkable effect on Scotland's air transport system? What is he going to do about that?

Michael Moore: We fundamentally disagree with the proposal for the third runway, as the hon. Gentleman understands; we do not believe that it is appropriate either economically or environmentally. The important point is that, by ensuring that we work with the private sector across the whole of government—be it our proposals in the Budget to reduce corporation tax, or the many others to do with banking reform—we believe that we will create the right conditions for the private sector and the transport sector to recover and have a sustainable future.

Mr Jim Murphy (East Renfrewshire) (Lab): Scottish employers know that the future jobs fund helps people back into work. The Secretary of State for Scotland claims that it is unsustainable, but he will not publish a shred of evidence to back up his assertion. Employers, the unemployed and even Liberal Democrats in his own constituency support the future jobs fund. As unemployment continues to rise across Scotland, I ask the Secretary of State this specific question: will he now agree to lobby the Chancellor to maintain the future jobs fund in Scotland?

Michael Moore: We had this exchange during the last Scottish questions, and the right hon. Gentleman has repeated the phrase that I used then. If I may, I will repeat the point I made then. The future jobs fund was not sustainable in the form it was in. May I remind him, as I did then, that places are still available under that scheme, which will run through to March next year? Some 11,000 places have been funded, but they were temporary, short-term jobs. We believe that a new system of supporting the unemployed is the best way forward.

Mr Murphy: So, the Secretary of State will not publish a shred of the evidence behind his assertion, and today he has confirmed that he will not even listen to Scotland

and meet the Chancellor in order to maintain the future jobs fund and help the unemployed in Scotland. Does he not share the sense of anger across Scotland about the policy immorality of a gang of millionaire politicians cutting support to the most vulnerable people across Scotland? The only surprise for many people in Scotland is that he, as a Liberal Democrat, is going along with it. But perhaps Scotland should not be surprised, because he is fast developing a reputation not as Scotland's man in the Cabinet, but as the Tories' salesman in Scotland.

Michael Moore: The immorality would be for us to do nothing about the legacy left behind by the right hon. Gentleman's Government, which is undermining the public sector and any prospect of a private sector recovery.

Constituencies

2. **Graham Evans** (Weaver Vale) (Con): What recent discussions he has had with the Deputy Prime Minister on the implementation in Scotland of proposals to equalise the size of constituencies; and if he will make a statement. [8912]

The Secretary of State for Scotland (Michael Moore): By equalising the size of constituencies across the UK, we will ensure that people's votes carry the same weight. We have proposed the two exceptions of Orkney and Shetland and the Western Isles to take account of their special geographic circumstances. The Bill that we will introduce will also provide for an upper limit on the geographical size of a constituency.

Graham Evans: In Scotland, there are urban seats that have an electorate of between 50,000 and 80,000; that disparity cannot be justified by extreme geography. Does the Secretary of State agree that it is disappointing that the previous Government had so little regard for the fundamental principle that every vote should have equal value? *[Interruption.]*

Mr Speaker: Order. First, some questions are too long, and secondly, at this early stage, the atmosphere is far too raucous. Right hon. and hon. Members need to calm down.

The Comptroller of Her Majesty's Household (Mr Alistair Carmichael): This is Scottish questions!

Michael Moore: Yes, we have a few traditions to maintain. I agree with my hon. Friend the Member for Weaver Vale (Graham Evans) on the basic principle that votes should have equal weight across the country, wherever they are cast.

Ann McKechin (Glasgow North) (Lab): Members of the House understand the unique geographical factors that affect island communities, but does the Secretary of State accept that it would be grossly unfair to Scotland's great cities if their constituency numbers were artificially inflated as a result of that fact, to make up the difference, so that the Government can reach an arbitrary number plucked out by Conservative party central office? Surely the issue should be determined solely by the independent Boundary Commission, not the Conservative party that he seeks to support?

Michael Moore: The hon. Lady is trying to advance the very strange principle that across the country there should be different weights for votes, depending on where they are cast. We have to ensure that when we redraw the boundaries, we equalise out those votes to give them equal weight. If people need to register to vote, let us get on with ensuring that they do; there is a responsibility on all of us, and on local authorities, to ensure that that happens.

Future Jobs Fund

3. **Ian Murray** (Edinburgh South) (Lab): What recent discussions he has had with the Secretary of State for Work and Pensions on the effects on levels of employment in Scotland of ending the future jobs fund. [8913]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): All existing future jobs fund commitments will be honoured, and there are still places available. Next year, we will bring forward our Work programme, which will introduce better targeted and more effective support for young people and the unemployed.

Ian Murray: Until the recent worldwide economic downturn, youth unemployment in my constituency was all but eradicated. The future jobs fund created 11,000 jobs, and was projected to create another 20,000. What strategy does the Under-Secretary have on youth unemployment, or are the Government just hoping for a visit from the fairy job mother?

David Mundell: The future jobs fund creates temporary, short-term posts, and the grants do not include any incentives to move people into permanent jobs. Our investment will move young people into sustainable employment, rather than creating temporary changes to unemployment.

Gordon Birtwistle (Burnley) (LD): Will the Minister advise the House of the cost of each permanent job provided by the future jobs fund?

David Mundell: It is clear that the future jobs fund was not an effective use of resources. It was aimed at making temporary changes to unemployment figures, rather than moving people into sustainable, permanent jobs.

Commission on Scottish Devolution

4. **Tom Greatrex** (Rutherglen and Hamilton West) (Lab/Co-op): What recent assessment he has made of the recommendations of the final report of the Commission on Scottish Devolution. [8914]

5. **Lindsay Roy** (Glenrothes) (Lab): What the proposed timetable is for implementation of the Calman commission's recommendations. [8915]

The Secretary of State for Scotland (Michael Moore): As I outlined in response to questions from hon. Members on 16 June, I have asked officials to work for the autumn introduction of a Bill to take forward legislative proposals, with non-legislative recommendations taken forward under a similar time scale.

Tom Greatrex: I thank the right hon. Gentleman for that reply. He knows, or at least I hope he does, that one of the considerations in moving to a Scottish income tax, as proposed in a recommendation by the Calman commission, was whether Her Majesty's Revenue and Customs systems would be able to collect it. They currently cannot; how does that fact correspond with the comments that the Chancellor made yesterday about tax simplification?

Michael Moore: As I have set out, we intend to engage fully with the different sectors in Scotland that will be affected by the changes. As the hon. Gentleman will be aware, we are heavily engaged with the Treasury and HMRC to work our way through the changes that will come as a consequence of Calman, which I believe his party still supports.

Lindsay Roy: Does the Secretary of State agree with the leader of the Liberal Democrats in the Scottish Parliament, Tavish Scott, when he says:

"Politicians should not be able to take easy spending decisions without the responsibility of accounting for this money. Blaming Westminster should not be a get-out clause"?

Michael Moore: I am in complete agreement with the hon. Gentleman.

Mrs Eleanor Laing (Epping Forest) (Con): Does the Secretary of State agree that the devolution settlement in Scotland depends on having free and fair elections to the Scottish Parliament? Does he not see that the integrity of those elections is in danger of being undermined by the Government's deciding to hold a referendum on the alternative vote on the same day as elections to the Scottish Parliament?

Michael Moore: I regret having to disagree with my hon. Friend. We propose a referendum on the change to the voting system for this place on the same day as an election to the Scottish Parliament. We believe that that is entirely sensible. It will reduce cost, it will be more practical and it is on the same way of voting as in elections to the Scottish Parliament, so we will be able to cope with that without too much difficulty.

West Lothian Question

6. **Philip Davies** (Shipley) (Con): Whether he has had discussions with the Deputy Prime Minister on the West Lothian question. [8916]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): My hon. Friend will be aware that the coalition agreement specifically commits this Government to establishing a commission to look at the West Lothian question. We will bring forward proposals in the autumn.

Philip Davies (Shipley) (Con): The biggest threat to the United Kingdom comes not from Scotland but from the resentment that people in England feel at the current constitutional settlement. My right hon. Friend and I both stood on a manifesto promise that we would stop Scottish MPs voting on matters in this House that related only to England. When will that happen?

David Mundell: As I said in my answer, a commission is to be established. This coalition Government, unlike the previous Government, are determined to deal with the issue.

Mr Russell Brown (Dumfries and Galloway) (Lab): Can the Under-Secretary justify to his constituents the fact that he will not take part in such debates and such votes when he knows only too well that his constituents depend on health service provision in Cumbria and further education support from Cumbria? Is it not right that he takes an interest in what is happening this side of the border?

David Mundell: I can assure the hon. Gentleman that I will be taking an interest in the resolution of the West Lothian question. The hon. Gentleman agreed with Lord Derry Irving when he said that the only answer to the West Lothian question was not to ask it.

Devolution Settlement

7. **Mr David Amess** (Southend West) (Con): What recent discussions he has had with the First Minister on the relationship between the Government and the Scottish Executive under the devolution settlement. [8917]

The Secretary of State for Scotland (Michael Moore): I am regularly in contact with Ministers from the Scottish Government, including the First Minister, on a range of matters.

Mr Amess: I am delighted that the Prime Minister visited the Scottish Parliament on the third day of the new Government, unlike his predecessor who never visited there, but will the right hon. Gentleman have a word with the Prime Minister to encourage him to visit the Scottish Parliament again to have further discussions with the First Minister about the relationship between the Government and the Scottish Executive to see whether the new miracle cure for prostate cancer can be made available throughout England?

Michael Moore: I absolutely agree that my right hon. Friend the Prime Minister took an important step when he visited the Scottish Parliament to meet the First Minister at such short notice after the coalition was formed. I understand the anguish, not just in Lockerbie and Scotland generally but across the world, about what happened in the course of the release of the Lockerbie bomber, but I believe that the medical decision was taken in good faith.

Mr Mike Weir (Angus) (SNP): Given what the Secretary of State has said, will he press all relevant UK Government Departments to release all papers relating to both the negotiation of the prisoner transfer agreement between the UK and Libya and the concurrent commercial contract between BP and Libya?

Michael Moore: The Prime Minister in his discussions with the President of the United States and other senior American politicians has put forward the proposal that the Cabinet Secretary will review the papers that exist, and we believe that that is a very important step forward, and one that, hopefully, will find support across the House.

Computer Games Industry

8. **Jim McGovern** (Dundee West) (Lab): What discussions he has had with the Chancellor of the Exchequer on tax relief for the computer games industry in Scotland; and if he will make a statement. [8918]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): My right hon. Friend is meeting the hon. Gentleman and representatives from the industry next week to discuss how best to stimulate further growth and expansion in this important sector.

Jim McGovern: We are actually meeting tomorrow, not next week. How can the Government justify a £110 million tax break for the film industry, but not allow a £50 million tax break for Dundee and the games industry?

David Mundell: I am glad that the Government are dealing with the issues that the hon. Gentleman raises with even more urgency. As he knows, the major package of reforms to business taxation in the Budget is designed to make the UK the most competitive tax regime in the G20 and that will substantially help the video games industry.

Future Jobs Fund

9. **Gemma Doyle** (West Dunbartonshire) (Lab/Co-op): What recent discussions he has had with the Secretary of State for Work and Pensions on the effects on Scotland of ending the future jobs fund. [8919]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): I refer the hon. Lady to the answer I gave to the hon. Member for Edinburgh South (Ian Murray).

Gemma Doyle: I am disappointed that yet again the Minister has failed to address the substance of this question. I have listened to his colleagues rubbishing these jobs, calling them artificial and unsustainable. Frankly, I am not surprised that a Cabinet packed with millionaires who went to exclusive private schools and elitist universities cannot see the need for such a scheme and how valuable it is to have paid employment on the CVs of these young unemployed people. Will he press his colleagues to re-examine the decision to scrap the future jobs fund?

David Mundell: When I had the opportunity to visit the Clydebank jobcentre in the hon. Lady's constituency, I found that the people there—who are on the front line in helping the unemployed into work—welcomed the Government's measures to replace the myriad schemes introduced by the previous Government with a single Work programme.

VAT Increase

10. **Mrs Anne McGuire** (Stirling) (Lab): What recent discussions he has had with the Chancellor of the Exchequer on the effect on households in Scotland of the proposed increase in the rate of value added tax. [8920]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): The VAT rise is part of a fair and progressive Budget. Difficult decisions are necessary to tackle the record deficit that this Government have inherited, but the richest will pay more than the poorest.

Mrs McGuire: Given that every independent analysis says that VAT rises are not progressive but regressive, did the Minister examine the impact of the rise on any aspect of Scottish industry and, in particular, the tourism industry in my constituency, which is a large employer and very relevant to household incomes? Did the Government look at the impact of the increase in VAT on anything?

David Mundell: The right hon. Lady makes a good point about the tourism industry and she will know that many jobs in that industry are low paid. The decision to raise the income tax personal allowance for under-65s by £1,000 in 2011-12 will benefit 2 million basic rate income tax payers in Scotland, including many working in the tourism industry.

Scottish Economy

11. **Fiona Bruce** (Congleton) (Con): What recent discussions he has had with CBI Scotland on the state of the Scottish economy. [8921]

The Secretary of State for Scotland (Michael Moore): I have had productive discussions with CBI Scotland and others on the Scottish economy, as has my right hon. Friend the Under-Secretary, and I plan to meet them again in the near future.

Fiona Bruce: Bearing in mind that trade and industry is a reserved matter while economic development is devolved—and that both are vital in addressing the key challenge of economic growth—how will the Secretary of State use his role to work effectively to stimulate private enterprise and job creation in Scotland?

Michael Moore: Given the legacy that we were left by the Labour Government, it is essential that we tackle the deficit so that we can tackle interest rates and do not pay the cost in jobs. As far as the private sector is concerned, the measures introduced by my right hon. Friend the Chancellor in the Budget, which we passed in the Third Reading of the Finance Bill last night, will see corporation tax lowered over the course of this Parliament, and include others to boost the private sector.

Katy Clark (North Ayrshire and Arran) (Lab): Given the delicate state of the Scottish economy and the fears about the recovery, does the Secretary of State accept that the proposed massive cuts in public spending—including the huge job losses and the taking of so much money out of the economy—risk a double-dip recession?

Michael Moore: If we do not get rid of the historic deficit inherited by the Government—at £155 billion, the largest in peacetime history—we will pay the price in lost jobs for years and years to come. It is essential that we tackle that and take on board the other measures set out in the Budget to ensure we get a good private sector-led recovery, which will fund future public services.

Mary Macleod (Brentford and Isleworth) (Con): Does my right hon. Friend agree that it was wrong of the Scottish Parliament to release al-Megrahi supposedly on compassionate grounds, and that this matter should be looked into given that he committed a horrendous crime?

Michael Moore: The decision to release al-Megrahi was a decision for the Scottish Government—it was entirely theirs, and they answer for that decision—but we, as a Government, have made plain what we felt about it. However, there have been inquiries in the House and the Scottish Parliament, and I do not believe that, at this stage, a public inquiry would be appropriate.

Margaret Curran (Glasgow East) (Lab): Is the Secretary of State aware of research by Oxford Economics that states that 2.3 million jobs in the private sector will be lost because of the Government's public sector cuts? Can he explain the devastation that that will cause in Glasgow, which it predicts will be the second-hardest hit city? What does he plan to do for jobs in Glasgow, not only in the public sector but in the private sector? Will the number of jobs go up or down in Glasgow because of his Government?

Michael Moore: Across the country we want rising levels of employment and to ensure that, through a private sector-led recovery, we will have a sustainable economy going forward. Were we just to keep going as the hon. Lady's colleagues in the previous Labour Government did, we would be in very deep trouble indeed.

A1 Upgrade

12. **Guy Opperman** (Hexham) (Con): What discussions he has had with ministerial colleagues and the Scottish Executive on upgrading the A1 in Scotland. [8922]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): The provision of road transport in Scotland is a devolved matter. Transport Scotland is responsible for the management and maintenance of the trunk road network in Scotland, including the A1.

Guy Opperman: For 13 years we have had an A1 that is largely single-laned, holding back economic development in south-east Scotland and Northumberland. Will its upgrade be considered in the comprehensive spending review?

David Mundell: I advise my hon. Friend that the Scottish Government have no proposals for any major schemes on the A1 trunk road in Scotland, but I will speak to colleagues in the Department for Transport about the need to liaise on cross-border routes. *[Interruption.]*

Mr Speaker: Order. There are far too many private conversations taking place in the Chamber, and the decibel level is far too high. I wish to hear the hon. Member for Dunfermline and West Fife (Thomas Docherty).

Strategic Defence and Security Review

13. **Thomas Docherty** (Dunfermline and West Fife) (Lab): If he will take steps to ensure that account is taken in the strategic defence and security review of the implications for the Scottish economy of that review. [8923]

The Secretary of State for Scotland (Michael Moore): Maintaining a strong Scottish economy is one of my top priorities, and I have, and will continue to have, regular conversations with my right hon. Friends the Secretary of State for Defence and the Chancellor of the Exchequer on the implications for Scotland of the strategic defence and security review.

Thomas Docherty: Thousands of highly prized, highly skilled and highly paid jobs in manufacturing and engineering are dependent on the aircraft carriers going ahead. Back in Fife, all political parties, including the Liberal Democrats and Conservatives, support the building of the second aircraft carrier. The Secretary of State's former special adviser said that scrapping the second aircraft carrier would be crazy. Will the Secretary of State therefore come to Fife and meet the management and work force at Babcock during the summer recess, so that they can present their case—

Mr Speaker: Order. We have got the essence of it, and we are grateful.

Michael Moore: I join the hon. Gentleman in paying tribute to the skills and expertise of the engineering sector, not just in defence but in so many other parts of the Scottish and UK economies. I fully understand the concerns that he is raising, and many of these issues are being considered as part of the strategic defence review. He might also be aware that I am planning to visit Babcock in the next few weeks.

Mr Ian Davidson (Glasgow South West) (Lab/Co-op): Does the Secretary of State want to go down in history as the man who presided over the closure of the Clyde shipyards, or will he defend the two aircraft carriers?

Michael Moore: The hon. Gentleman, particularly in his distinguished new role as Chair of the Scottish Affairs Committee, is a strong campaigner on these issues. As he knows, I intend to visit with him the shipyards and other defence installations in Glasgow in the near future.

Advocate-General

14. **Miss Anne McIntosh** (Thirsk and Malton) (Con): What recent devolution issues the Advocate-General has considered. [8924]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): Since 1 May, the Advocate-General and his predecessor have received 716 minutes notifying them of devolution issues. In the same period, the Advocate-General has continued monitoring 41 devolution cases, has been represented in court in three, and is currently involved as intervenor in two cases.

Miss McIntosh: Will the Minister share with the House whether or not the Advocate-General has given a view on the timing of a referendum on independence, as proposed by the Scottish Government?

David Mundell: As far as I am aware, the Scottish Government appear to have abandoned their proposal for a referendum on independence, especially after 80% of voters in Scotland at the recent general election voted for parties that support the Union.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [9848] **Ian Mearns** (Gateshead) (Lab): If he will list his official engagements for Wednesday 21 July.

The Deputy Prime Minister (Mr Nick Clegg): I have been asked to reply. My right hon. Friend the Prime Minister is visiting the United States for meetings with President Obama and briefings on Afghanistan.

I am sure that the whole House will wish to join me in paying tribute to Marine Jonathan Crookes, from 40 Commando Royal Marines, and Senior Aircraftman Kinikki Griffiths, from the RAF Regiment, both of whom died on Friday; and to Sergeant David Monkhouse, from the Royal Dragoon Guards, and Staff Sergeant Brett Linley, from 11 Explosive Ordnance Disposal Regiment, the Royal Logistic Corps, both of whom died on Saturday. They were, of course, men of great courage and selflessness who died in the service of our country, and their sacrifice will not be forgotten. I am sure that I speak on behalf of the whole House when I say that we also send our deepest condolences to their families and friends, whose own courage and dignity, like that of so many others who have lost loved ones in Afghanistan, are truly inspiring.

Ian Mearns: I am sure that the whole House will join me in sending our deepest sympathy and condolences to the families and friends of our brave service personnel who have died in the course of their duties while in action in Afghanistan.

It is now a fortnight since the people of Gateshead were told of the axing of the Building Schools for the Future programme, which affects five local schools in the borough of Gateshead. This deeply concerns both communities, which have lost much needed investment, and Liberal Democrat councillors in some of those areas, who now fear losing their seats. Will the Deputy Prime Minister agree to meet the borough's MPs to discuss a way forward for those schools, which have had much needed investment wrenched from their grasp by this Government's action?

The Deputy Prime Minister: Of course I understand the hon. Gentleman's concern about schooling in his constituency, but we should be under no illusions. The Building Schools for the Future programme would have had to be cut even if Labour were still in power. It was the Labour Government who cut capital investment by 50% but did not deign to tell people what that would mean. Building Schools for the Future was a programme that was not effectively run: it took three years after it had begun before the first brick was laid. Of course we will look at new ways of ensuring that capital investment continues to flow into existing schools and new schools—particularly primary schools, which were excluded from the Building Schools for the Future programme—and of course we will meet with him.

Mr David Burrowes (Enfield, Southgate) (Con): May I express my gratitude for the Prime Minister raising the case of my constituent Gary McKinnon with the US President? Give the mutual commitment to find a way through and seek an appropriate solution, are there now real grounds for optimism that there is light at the end of a tortuous tunnel for Gary McKinnon?

The Deputy Prime Minister: I have long been associated with this case, and I would like to pay tribute to my hon. Friend for all the work that he has done on behalf of Gary McKinnon. No one doubts the gravity of the offences that Gary McKinnon is alleged to have committed. That is beyond question; the simple question is whether he should, in the circumstances, be tried here or extradited to the United States. The Prime Minister and the President of the United States indicated yesterday that they have had a discussion about Gary McKinnon and that, notwithstanding the gravity of the alleged crimes, they hope to find a way forward.

Mr Jack Straw (Blackburn) (Lab): I join the right hon. Gentleman in paying tribute to the British servicemen who have been killed in Afghanistan in recent days: Marine Jonathan Crookes, from 40 Commando Royal Marines, and Senior Aircraftman Kinikki Griffiths, from the RAF Regiment, who both died on Friday; and Sergeant David Monkhouse, from the Royal Dragoon Guards, and Staff Sergeant Brett Linley, from 11 Explosive Ordnance Disposal Regiment, the Royal Logistic Corps, who both died on Saturday. These were very brave men who lost their lives in the service of their country—our country. We salute their courage, and we will always honour their memory and sacrifice, which they have made for us. I also join very much with the right hon. Gentleman in sending our deep condolences to the families, comrades and friends of these brave service personnel.

We welcome the Kabul conference, which the Foreign Secretary has attended, and hope that it does indeed lead to positive improvements in the lives of the people of Afghanistan. The Prime Minister has said that he wants to see United Kingdom combat troops withdrawn by 2014. Could I ask the Deputy Prime Minister whether that commitment is unconditional, or will it depend on the circumstances on the ground at the time?

The Deputy Prime Minister: First, I welcome the right hon. Gentleman to the Dispatch Box. I look forward to answering his questions. This is the first time a Liberal leader has been in this position since the 1920s. Given the right hon. Gentleman's great longevity in politics, that was probably around the time he first joined a Labour shadow Cabinet.

As to the right hon. Gentleman's question about our engagement in Afghanistan, the Prime Minister has been clear, and we have been clear as a coalition Government, that we do not wish to see British troops in a combat role in Afghanistan by 2015—not 2014, as

the right hon. Member for Blackburn (Mr Straw) suggested. That is consistent, of course, with the timetable for the Afghan forces assuming responsibility for security by 2014, as agreed in the Kabul conference yesterday. No timetable can be chiselled in stone, but we are absolutely determined, given how long we have been in Afghanistan and given that we are six months into an 18-month military strategy and embarking on a new political strategy, to be out of a combat role by 2015.

Mr Straw: I am grateful to the right hon. Gentleman for his welcome of my appearance, probably my one and only appearance, here in this capacity—[Hon. Members: "Ah!"] Well, there we are. I am also grateful to the right hon. Gentleman for his answer, from which I take it that he was saying—in my view, wisely—that this commitment is indeed a conditional one.

The right hon. Gentleman told this House on 22 June that the Government had denied a loan to Sheffield Forgemasters because the owners

"did not want to dilute their own shareholding in the company."—[*Official Report*, 22 June 2010; Vol. 512, c. 148.]

But we now know that, in private, the right hon. Gentleman admitted to the chief executive of the company:

"You... made clear to me your own willingness to dilute your equity share".

Yesterday, my right hon. Friend the shadow Business Secretary asked you about this, Mr Speaker, and you ruled that

"if a Minister makes a factual error in a statement to the House, it is preferable... that he or she should correct that error in the House."—[*Official Report*, 20 July 2010; Vol. 514, c. 186.]

Will the right hon. Gentleman now correct that error?

The Deputy Prime Minister: First, lest there be any confusion on the vital issue of Afghanistan, which I hope will continue to enjoy cross-party support, let me be absolutely clear that we will see our troops withdrawn from a combat role in Afghanistan by 2015. We are determined to see that happen.

On Sheffield Forgemasters, the right hon. Gentleman knows that the problem was simply one of affordability. Lord Mandelson was writing out cheques to companies like Forgemasters, which he knew would bounce, all the while writing in his memoirs:

"We were deep in a pit of debt and still digging."

That was what was wrong. It was wrong to pretend that there could be Government assistance for a great company like Sheffield Forgemasters when, as the former Chief Secretary to the Treasury said, there was "no money left". *[Interruption.]*

Mr Straw: I find it surprising that the Deputy Prime Minister, who has preached the importance of open, transparent and honest politics, cannot bring himself to correct the record of something that was plainly wrong. The explanation that he is now offering is not the one that he offered previously. That explanation was about the dilution of the company's shareholding—the same explanation that the Prime Minister offered the House. The Prime Minister told the House on 7 July:

"The question is whether it is an appropriate use of taxpayers' money to give it to a business that could raise that money by diluting its shareholding."—[*Official Report*, 7 July 2010; Vol. 513, c. 369.]

Now that it is clear that the basis on which the Deputy Prime Minister and the Prime Minister made the decision to refuse the loan was simply wrong, will he reconsider that decision?

The Deputy Prime Minister: That was not a question—it was a sort of dissertation. *[Interruption.]* The right hon. Gentleman talks about openness and transparency. It would have been more transparent if Lord Mandelson and his Government had admitted that there was no money. *[Interruption.]* Hon. Members should not take it from me; the position was summed up rather well in Sheffield Forgemasters—*[Interruption.]*

Mr Speaker: Order. I must appeal for calm. I can see Members ranting at the tops of their voices at the Deputy Prime Minister. It is wrong, and it must stop. Whatever the feeling, it must stop. The public detest it and so do I.

The Deputy Prime Minister: If the right hon. Gentleman thinks that is a lot of noise, he should try it from the Bench I formerly occupied—it is even worse.

Let me cite what a worker on the shop floor of Sheffield Forgemasters said in Sheffield's *The Star* only last week. He said that on a visit by Lord Mandelson to Sheffield Forgemasters:

"I asked Lord Mandelson, if the country was near to bankruptcy, where would the money come from? He turned away to speak to my golfer. I asked again and he said very"—

Mr Speaker: Order. I am sorry to interrupt the Deputy Prime Minister, but that is very discursive and not relevant to the precise responsibility of a member of the Government. *[Interruption.]* Order. I do not require any guidance. We will leave it there.

Mr Straw: Let us consider affordability—not the reason that the Deputy Prime Minister and the Prime Minister gave originally, but affordability. The Deputy Prime Minister says that he is concerned about affordability, but we are talking about a loan, not a grant, to help Sheffield Forgemasters build Britain's future in low-carbon manufacturing. He is not prepared to make that loan, but why is he prepared to acquiesce in spending £550 million a year on so-called tax breaks for marriage—a policy that he described as "patronising drivel"?

The Deputy Prime Minister: The right hon. Gentleman is living in complete denial. When we came to government, we discovered that the structural deficit was £12 billion worse than he had led us to believe. His Government had announced £50 billion of cuts without having the decency to tell the British people what they would do about that. We now discover from Lord Mandelson's infinitely helpful memoirs that the Chancellor had planned to increase VAT, lower tax for people on low pay and cut corporation tax. Does that sound familiar? Yes, it does. We had to do it; they did not have the courage to do it.

Mr Straw: I note that the right hon. Gentleman did not say a word about his acquiescence in spending half a billion pounds a year on marriage tax breaks, which he has criticised. No wonder that his noble and new-found friend Lord Ashcroft says today—*[Interruption.]*

Mr Speaker: Order. I want to hear what the noble Lord has been saying. Let us hear it. There is far too much noise.

Mr Straw: Lord Ashcroft says today,

"even in the Liberal Democrat-held seats, less than a quarter of voters thought the Lib Dems were having a significant impact on the Government's agenda."

First, the Deputy Prime Minister blamed the cancellation of the loan on Sheffied Forgemasters' unwillingness to dilute the shareholding, then he said that it was unaffordable. Last week he told the *Yorkshire Post* that the company did not need a loan after all. *[Interruption.]* I am not surprised that hon. Members are baying, because there has been one excuse after another. He said—*[Interruption.]*

Mr Speaker: Order. Members are beside themselves. I am quite worried about their health. They really do need to calm down. *[Interruption.]* Order. Let me simply say to the right hon. Member for Blackburn (Mr Straw) that I want some time to be left for Back Benchers.

Mr Straw: The Deputy Prime Minister said to the *Yorkshire Post*:

"Forgemasters can find the money for expansion elsewhere".

Now that we know that it cannot find the money—as it said yesterday—has not the whole edifice of the Deputy Prime Minister's argument been demolished? Why on earth will he not reconsider this ludicrous decision?

The Deputy Prime Minister: Thank heavens this is the last occasion on which the right hon. Gentleman will be at the Dispatch Box in this capacity. It seems to me that he needs to go away and practise a bit more.

The right hon. Gentleman talks about impact. Let me just ask him this. Why did his Government do nothing to sort out the banks which were not prepared to offer a decent loan to Forgemasters at reasonable rates? We imposed the levy; his Government did not. Why did pensioners have to wait until this coalition Government came to power for the restoration of the earnings link, which he failed to restore for 13 years? Why did his party scrap the 10p tax rate, whereas we have taken 800,000 people on low pay out of the tax system altogether? That is more progress in 10 weeks than he managed in 13 years.

Mr Straw *rose*—

Mr Speaker: I call Claire Perry. *[Interruption.]* Order. I want to hear Claire Perry.

Claire Perry (Devizes) (Con): On the issue of progress, will the Deputy Prime Minister—

Mr Straw *rose*—

Mr Speaker: Order. I think that the right hon. Gentleman has had his allotted span. [Hon. Members: "No."] I apologise. It felt like it. I call Jack Straw.

Mr Straw: With apologies to the hon. Member for Devizes (Claire Perry), Mr Speaker.

Just over a month before the election, the Deputy Prime Minister warned about the dangers of policies of the kind that he is now following. He said:

"just imagine the reaction of my constituents in South West Sheffield."

People like that are going to ask, "Who are these people who are telling us that they are suddenly going to take our jobs away? Who are these people?" Well, now we know who these people are. Are they not the Liberal Democrats—the people who are giving power to the Conservatives without any influence over the policies that they used to oppose?

The Deputy Prime Minister: The right hon. Gentleman may bellow as much as he likes. I am happy to account for everything that we are doing in this coalition Government—a coalition Government who have brought together two parties, working in the national interest, to sort out the mess that he left behind. We may have to wait for his memoirs, but perhaps one day he will account for his role in the most disastrous decision of all: the illegal invasion of Iraq.

Claire Perry *rose*— *[Interruption.]*

Mr Speaker: Order. The House really must start to behave itself. We have made slow progress—*[Interruption.]* Order. That progress must get faster from now on, with short questions and short answers. I call Claire Perry.

Claire Perry: Thank you, Mr Speaker. Third time lucky.

Can the Deputy Prime Minister tell us what the coalition Government have done in 10 short weeks to preserve the civil liberties of the British people—liberties that have been so cruelly eroded by the Labour party over the past 13 years?

The Deputy Prime Minister: I agree with my hon. Friend. The authoritarian record of the Labour Government is one of the most dismal records in modern British history, featuring the illegal invasion of Iraq, the turning of our prisons into overcrowded colleges of crime, the decimation of our civil liberties, the invasion of our privacy, and the roll-out of a surveillance state without any checks or balances; and look at what we have managed—

Mr Speaker: Order. I thought that the right hon. Gentleman was going to talk about what the present Government had done, not what the last Government had done; and he is now coming to an end, I am sure.

The Deputy Prime Minister: This Government have scrapped ID cards, they will table a freedom Bill, and they have launched a counter-terrorism review to create the right balance between security and liberty.

Q2. [9849] **Ian Lavery** (Wansbeck) (Lab): Does the Deputy Prime Minister recall the comments of the Prime Minister on the road to the election, when he stated openly and clearly that the north-east would be hit hard? Does that mean that the hard-working people in my constituency and others, the disabled people, the young and the old must suffer as a consequence of these Budget cuts, or should they just accept the fact that they will be part of this wonderful new big society?

The Deputy Prime Minister: The hon. Gentleman is, of course, right that some regions and parts of the country are more vulnerable than others, and the north-east is an obvious example. It is a region where there has

been a heavy dependence—arguably an over-reliance—on public sector jobs. One way or another, that was going to have to come to an end whoever was in government, because of the irresponsible overspending by the Labour Government. We are now putting measures in place, including the national insurance breaks for companies setting up in regions such as the north-east and the regional growth fund under which £1 billion is being precisely directed at helping those regions, to make sure that they are not disproportionately hit by the difficult fiscal contraction that we now have to introduce as a national duty because of the mess bequeathed to us by the Labour Government.

Q3. [9850] **Margot James** (Stourbridge) (Con): More than 250,000 older people live in sheltered retirement accommodation. Like many, two constituents of mine purchased their leases on the promise of full-time, in-house warden support at no charge. In the case of my constituents, that service has been whittled down to an off-site, visiting-by-appointment, chargeable service. Does my right hon. Friend agree that this is a shameful way to treat older people, and will he support my campaign to raise awareness of the legal redress that older people can have to secure their rights?

The Deputy Prime Minister: I am grateful for that question from my hon. Friend. She is well known for her outstanding record as a champion for older people prior to coming to the House, and I am sure all Members on both sides of the House share her concern that all older people, regardless of whether they live in their own homes, sheltered accommodation or residential care homes, can live in those settings with real dignity. That is one reason why we have just announced that there will be an independent commission to consider how we can ensure affordable and sustainable funding for care and support for all adults in England, and I hope my hon. Friend will be able to make her views and expertise available to that commission.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): In his keynote *Guardian* interview on 10 July, the Deputy Prime Minister said:

"I am a revolutionary but"—

Chris Ruane (Vale of Clwyd) (Lab): But he's turned full circle.

Mr Llwyd: Indeed. The Deputy Prime Minister said:

"I am a revolutionary but I am also a pragmatist".

When he suddenly agreed to raise VAT, was he being a revolutionary pragmatist or a pragmatic revolutionary?

The Deputy Prime Minister: No one on the Government Benches took lightly the decision to raise VAT, but did we know before we went into government that the structural deficit was £12 billion higher? Did we know that the Labour Government had announced £50 billion of cuts but not told people what that actually meant in practice? Could anyone have predicted the economic firestorm in Europe? Perhaps the hon. Gentleman can tell me why the former Chancellor advocated an increase in VAT but was blocked by the then Prime Minister. The former Chancellor knew it was the right thing to do; the rest of his party stopped him.

Q4. [9851] **Dr Phillip Lee** (Bracknell) (Con): Does the Deputy Prime Minister agree that in addition to dealing with the worst fiscal position in peacetime history, the new coalition Government should seek to arrest the decline in social mobility, and thereby reduce the gap between rich and poor?

The Deputy Prime Minister: My hon. Friend is right to say that as well as having to deal with a fiscal crisis—which has been handed over to us by the Labour party—we are faced also with a social crisis: social mobility has gone down; inequality has gone up; the gap between rich and poor has increased; and child poverty has increased by 100,000 since 2004 alone. That is why we have taken 800,000 people out of paying tax altogether. That is why we are going to deliver a pupil premium for children from poor backgrounds wherever they live in this country. That is why we have restored the triple guarantee to pensioners. That is why we have taken measures to make Britain fairer which were not taken by Opposition Members.

Q5. [9852] **Kate Green** (Stretford and Urmston) (Lab): My constituent, Charlie Donegan, suffers from long-term mental health problems, septicaemia, pneumonia and methicillin-resistant Staphylococcus aureus, and is a wheelchair user as a result. He receives the mobility and care components of disability living allowance at the higher rate. Can the Deputy Prime Minister explain to my constituent and to thousands of other worried members of the public like him, who rely on DLA for some small improvement to the quality of their lives, why he is now to face a medical test for a benefit that is intended to meet his non-medical needs?

The Deputy Prime Minister: This is not about taking away universal benefits; this is about making sure that those who receive DLA, such as the hon. Lady's constituent, do so because of real need. That is why it has been proposed by Members from all parties for many, many years that one way to proceed is to have a simple medical test. I meet constituents; I meet people who say that rather than running the gamut of the vast bureaucracy that has now attached itself to DLA, they themselves would prefer a simple medical test to know whether they continue to be entitled to receive that benefit, yes or no.

Q6. [9853] **Andrew Rosindell** (Romford) (Con): As part of the political and constitutional reform process, will the Deputy Prime Minister undertake to give due consideration to the loyal subjects of Her Majesty's overseas territories and Crown dependencies, who currently have no representation and no voice in the constitution of this country?

The Deputy Prime Minister: They are extremely well represented by my hon. Friend, who I know is a passionate advocate of our relationship with overseas territories and, of course, Crown dependencies. We will continue to work with him and others in this House to make sure that the citizens of the overseas territories are served by their own legislatures, with champions here in this House and in government, and of course we will work with the Governments of the Crown dependencies to help them develop their own wider ambitions. This applies to the Falklands or Gibraltar, although I have to confess that Gibraltar is a sensitive topic in the Clegg household.

Phil Wilson (Sedgefield) (Lab): If the intercity express programme survives the comprehensive spending review, Hitachi will build the rolling stock in my constituency, at Newton Aycliffe, creating 800 direct jobs and thousands of jobs in the supply chain. This will be the biggest investment in the north-east of England since Nissan. Will the Deputy Prime Minister ask the Transport Minister to meet me and a delegation of north-eastern business leaders and trade unionists, so that we can explain how important this project is to the region?

The Deputy Prime Minister: Of course that will be considered, as with everything else, in the comprehensive spending round. The hon. Gentleman will be aware that the previous Government cut capital investment by 50%. We are determined to maintain investment in our infrastructure—in our transport infrastructure and in our built infrastructure—is maintained, so that we do not repeat the recessions of the past and cut deep into infrastructure, which is so important to the long-term economic future of this country.

Q7. [9854] **Dr Julian Huppert** (Cambridge) (LD): May I first congratulate my right hon. Friend on being the first Liberal to answer questions to the Prime Minister since Lloyd George? In that too-long gap, many illiberal things have happened in this country, not least under the previous Government. One of the worst has been the detention of children for immigration purposes. There are words about that in the coalition agreement and there has been a review, but what concrete action will actually be taken to end this scandal?

The Deputy Prime Minister: I strongly agree with my hon. Friend that it was simply a moral outrage that last year the Labour Government imprisoned, behind bars, 1,000 children who were innocent of any wrongdoing whatsoever. This coalition Government, like so many other things, will once again restore a sense of decency and liberty to the way in which we conduct ourselves. That is why I can confirm that the Government will make an announcement shortly about how we will deliver on our pledge to end child detention and to close the Yarl's Wood detention centre for good.

Afghanistan

Q8. [9855] **Jeremy Corbyn** (Islington North) (Lab): What recent discussions he has had with President Obama on coalition policy in Afghanistan.

The Deputy Prime Minister: As the hon. Gentleman knows, my right hon. Friend the Prime Minister is currently in the United States and will be discussing Afghanistan with President Obama during his visit. Yesterday, as the hon. Gentleman may have seen, they reaffirmed their joint commitment to the existing strategy, reflected on the bravery and shared sacrifice of United Kingdom and United States armed forces in Afghanistan, and agreed that the importance of progress on the political track to complement the military effort was essential.

Jeremy Corbyn: Is it not time, after nearly 10 years of British deployment in Afghanistan, that the whole strategy should be reconsidered? Last year, 1,000 Afghan people died, and 300 and more British soldiers have lost their lives in Afghanistan, as have many from other coalition forces. Opinion polls in Afghanistan show declining support for western involvement there. If British troops are going to remain there for another five years, how many more are going to die, how much deeper is the civil war going to get and how much deeper are we going to be involved in conflicts in that region? Is it not time to say that this strategy has run its course and that it is time, now, to withdraw from Afghanistan?

The Deputy Prime Minister: My right hon. Friend the Foreign Secretary will be giving a statement on Afghanistan imminently. I do not agree with the hon. Gentleman's stance on Afghanistan, but I admire his consistency in arguing his case. It is right that the coalition Government have been crystal clear that we want our troops to come home as soon as possible. We do not want a single British serviceman or servicewoman to spend an extra day more than is necessary in Afghanistan. That is why we have been clear that we will not have soldiers in a combat role in Afghanistan in 2015. However, I agree with the hon. Gentleman that history teaches us that insurgencies cannot be defeated by military means alone. That is why we are pushing very hard for a new political strategy involving reconciliation and reintegration so that the political strategy and the military strategy are better aligned than has been the case in the past.

Engagements

Q9. [9856] **Jesse Norman** (Hereford and South Herefordshire) (Con): My county of Herefordshire has below-average household income, but our schools are the third worst funded in the country. Does the Deputy Prime Minister share my view that it is time to rebalance public funding and give a fairer deal to our rural areas?

The Deputy Prime Minister: I certainly agree that just because poverty in rural areas is sometimes more invisible than more visible poverty in some of our inner-city areas, it does not mean that we should not make real efforts to address it. It is a matter of concern that under the previous Government a child from a poor family in an inner city area tended to get much more money allocated to their education than a child from a poor family in a rural area. That is why we are so determined to introduce a pupil premium that will provide extra resources to children from the most deprived backgrounds no matter where they live in our country.

Mr Speaker: Before I call the Foreign Secretary to give a statement, I appeal to hon. and right hon. Members whose lungs are probably exhausted now anyway to leave the Chamber quickly and quietly so that the House can hear the Foreign Secretary.

Kabul Conference

12.32 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): With permission, I will make a statement on the outcome of the Kabul conference and on progress in Afghanistan. Half an hour ago, my right hon. Friend the Deputy Prime Minister paid his respects to the four servicemen who have died in Afghanistan in the past week. They died in the service of this country, and the whole House has already joined in expressing its gratitude to them and to the British forces in Afghanistan.

The past month has indeed been a difficult one, but we should not lose sight of what has been achieved since the London conference on Afghanistan six months ago. I do not want to minimise in any way to the House the immense challenges that we and our allies continue to face in Afghanistan or the difficulties and dangers that we encounter on a daily basis. Bringing security and stability to Afghanistan remains an exceptionally demanding task for the men and women of our armed forces, our diplomatic service and those involved in development. Their work is rarely less than outstanding on a daily basis, but there will continue to be setbacks and discouragements even while progress is being made. We must therefore always guard against over-optimism, but we must equally guard against listening only to bad news or failing to notice the millions of Afghans who want us to succeed.

In the last six months our troops have consolidated their position in Helmand, taken the fight to the Taliban and trained hundreds of Afghan troops; our diplomats and aid workers have worked with Afghan colleagues to promote a more inclusive political process and intensify our work, including on education and governance; and the Government of Afghanistan have acted on their London commitments and drawn together for the first time a cross-Government strategy to deliver widespread reform. As the Prime Minister has said, our objective is a stable Afghanistan that is able to maintain its own security and prevent al-Qaeda from returning, so that within five years we can draw down British combat troops.

The NATO objective in Afghanistan is simple: to assist the Government of Afghanistan in exercising their authority and influence throughout the country, paving the way for reconstruction and effective governance. That requires the protection of the population, the provision of more effective governance at every level and the creation of an Afghan security force that is able to maintain security and, indeed, prevent the return of al-Qaeda. That is the strategy that UK forces are helping to implement through their training and partnering of Afghan troops, and through their efforts to create the opportunity for more effective local governance in central Helmand. General Petraeus, the newly appointed commander of the international security assistance force, has made it clear that that remains his approach.

Together with my right hon. Friend the International Development Secretary, I attended the Kabul conference yesterday, following the visits that I made to China, Japan and Oman. Some 40 Foreign Ministers and international organisations, including the United Nations, NATO, the European Union and the World Bank, attended what was an unprecedented event for Afghanistan. It was unprecedented also given the number of Muslim partners who were represented at such a conference. It showed the world that Afghanistan is increasingly able to run its own affairs, and it was a further step in the process of transition from direct international military and civil intervention to Afghan leadership.

The conference issued a communiqué that was agreed among all participants and builds on the progress that has been made in the last six months. It establishes the Afghan-led Kabul process, which aims to accelerate Afghanistan's ability to govern itself with accountable government, to reduce dependence on the international community, to enhance Afghanistan's security forces and to provide better protection for the rights of all its citizens. That is a single implementation plan for the coming years. International donors, including Britain, have committed themselves to realigning their funding behind the Kabul process, and that is a significant achievement for a country as beset by conflict and poverty as Afghanistan. The Kabul process holds out the prospect of a more secure future for Afghans.

The Afghan Government made yesterday a number of important commitments: to concentrate efforts on a limited number of national programmes and projects to transform the lives of people and reinforce the relationship between state and citizens; to have Afghan security forces take the lead on security throughout the country by 2014, and to set up an Afghan NATO board to analyse whether provinces are ready to begin the transition process; to create a lean, effective and appropriately paid public service, retiring those civil servants who are unable to perform or are not needed in a renewed and revitalised civil service; to ensure that the wealth generated from the mining sector is invested to benefit future generations; to require new national development programmes to be designed with international partners in order to ensure the highest standards of accountability and transparency; to amend the criminal law to increase penalties for the failure to disclose assets and to take to trial Ministers and other high-ranking officials who do not comply; to strengthen the High Office of Oversight for Government Accountability and the major crimes taskforce in order to tackle corruption; to establish a commission to find ways to bring together the public and private sectors in order to stimulate accelerated economic growth; to work with the Afghan Parliament to strengthen its constitutionally mandated role; and to improve financial management and agree a system with donors in order to allow more donor funds to be channelled through the Afghan budget.

That Afghan plan will be supported by the United Kingdom Government and by our international partners. On 10 June my right hon. Friend the Prime Minister announced an additional £200 million in funding to promote stability and development over the next four years. My right hon. Friend the International Development Secretary will set out further details of that in a written ministerial statement tomorrow. Britain will intensify and reinvigorate our development efforts, increasing the pace of work and the achievement of specific results in line with the Government of Afghanistan's priorities. We will work closely with the Afghans, the United States and others to accelerate the stabilisation effort in central Helmand and the 81 key districts that have been targeted under the ISAF plan. We will work with others

[Mr William Hague]

to ensure the successful implementation of the agreed peace and reintegration programme, help to support the forthcoming elections, and invest in improving the quality and effectiveness of the police. Our overall aim is to speed up the pace of transition to Afghan security leadership.

We will also support the Afghan economy and help with new jobs through investment in mining, roads, power and irrigation, and by bringing community-driven development to isolated areas of the country. We will help the Government of Afghanistan to deliver vital services and to tackle corruption, providing increased support to education, including technical and vocational training, and the administration of justice.

Our international partners have committed themselves to doing their part in supporting the Kabul process, as well. Afghanistan's near neighbours will work to accelerate regional economic co-operation. An important milestone was reached in the days before the conference with the conclusion of the Afghanistan-Pakistan trade transit agreement. This much-desired economic measure has taken some 40 years to achieve.

The Kabul process is a major step forward for Afghanistan and an important staging post in Afghanistan's development. There remains more to do, notably in the areas of governance. Measures to enforce transparency, anti-corruption and accountability have slipped and need to be brought back on track as soon as possible. We will pursue these and other issues as part of the follow-up to the conference. The Kabul process contains strengthened review mechanisms that include a more robust joint co-ordination monitoring board in Kabul and an overarching annual assessment which will report to an annual Kabul ministerial conference. My Department, the Ministry of Defence and the Department for International Development will be closely involved in that process.

The Kabul conference has established a road map for more professional functioning and mature institutions. There will be other important milestones this year, including parliamentary elections, the NATO Lisbon summit, and President Obama's review. Her Majesty's Government will build on these steps to help to put in place the conditions for a stable, secure and increasingly prosperous Afghanistan.

David Miliband (South Shields) (Lab): I thank the Foreign Secretary for his statement and welcome him back to London. I thank him, too, for advance sight of his statement. We all join in his words of condolence and pride in the remarkable work of our armed forces. Their bravery, fortitude and intelligence are an example of the best of this country.

We welcome the Kabul conference as the chance for the Afghan Government to make their commitments to match those that the international community made in London in January. Thoughtful engagement with the profound and difficult issues for which the Foreign Secretary is now responsible requires us to ask probing questions in five key areas, and that is what I will do. First, there is the timetable for British withdrawal. Policy in this area is followed intensively by the forces and their families, by Afghans, and by other countries in the region. As Lord Guthrie said earlier this month, mixed messages are dangerous. Earlier today, the Deputy Prime Minister said that nothing is "chiselled in stone", and then insisted, I think six times, that there would be no British combat operations from 2015.

Last November, the President of Afghanistan said in his inauguration speech that Afghans would lead the security effort across the country in five years. I would like to understand from the Foreign Secretary the British Government's position. The Foreign Secretary has said that he would be very surprised if this process of security transition took longer than 2014. The Prime Minister then said that British troops would be out of combat by 2015. Last night in Washington, the Prime Minister said that British troops could begin pulling out next year. However, the Defence Secretary has said that he expects British troops to be the last to leave Afghanistan.

All of us want the troops home as soon as possible. Therefore, to resolve any confusion that may exist, could the Foreign Secretary tell us whether the Government stick by the position that the Prime Minister set out last year—that this

> "should be based on success…you should do so once it's safe…do it based on success, don't keep talking about artificial timelines"?

Does that remain the position of the British Government?

Secondly, on a political settlement, the Foreign Secretary says that he agrees with me that there is no military solution in Afghanistan and that the only way to end a civil war is through a political settlement. The most important conclusion from the London conference in January was support for the Afghan Government's national peace and reintegration programme, but the political settlement and the reintegration programme made up only a small part of the Foreign Secretary's contribution at the conference yesterday. He did not set out the preconditions for a durable settlement—all the tribes in, al-Qaeda out, and Afghanistan's regional neighbours on the side.

Will the Foreign Secretary tell us whether he met the leader of the opposition, Abdullah Abdullah, on this visit? If so, what did he say about how to overcome the ethnic divisions within Afghanistan and reach a political settlement? Will the Foreign Secretary also update us on whether General Petraeus plans to give the issue the priority attached to it by General McChrystal, what role NATO's special representative, former British Ambassador Sedwill, will play in taking it forward, and what will be the next steps in the peace jirga that he applauded during the Queen's Speech debate, given that the two Ministers responsible for the event have been forced to resign for its failings since then?

Thirdly, on our current work, we have noted the new announcements by the Secretary of State for International Development about increased aid. He will know that Helmand province is the most heavily aided province in the world, and the critical issue for the delivery of development aid there is, of course, security. We would be interested to know where in Helmand the Foreign Secretary thinks we will be able to add to the already extensive aid that is being delivered.

In respect of current operations, our immediate concern must be for our armed forces. Can the Foreign Secretary tell us the latest evidence on the Marjah operation, which General McChrystal described as a "bleeding ulcer"? We are told in the communiqué from the conference yesterday that reintegration shura, which are critical to

bringing all the tribes inside the political system, are important in Helmand, and I agree, but my understanding is that in Marjah and the whole of Helmand province there has been only one public reintegration shura in recent months. Will the Foreign Secretary tell us whether he raised that matter with President Karzai?

Will the Foreign Secretary tell us also about planning for the Kandahar operation, which is obviously critical given the presence of our forces in Helmand? Where is the Afghan capacity for that operation, and what is being done to avoid a false choice in Kandahar between warlordism, some of which has important links inside major parts of the Afghan political system, on the one hand and Talibanisation on the other?

Fourthly, I turn to the Afghan forces. The number of soldiers in the Afghan national army, which the Foreign Secretary mentioned in his statement, is undoubtedly important, but quantity cannot override the importance of quality. The forces have to be representative of Afghanistan's provinces and communities; otherwise they will find it difficult to move away from an image of being supplementary forces to foreign troops rather than the other way round. Will he tell us the number of south Pashtun Afghans who have been recruited into the Afghan national army? The figures of less than 5% that are around do no justice to the critical need for an army to have real legitimacy in the communities it serves.

Fifthly and finally, I turn to the regional dimension. The countries of the region, led by Pakistan, are key to a conclusion of the war, yet regional co-operation is, to put it mildly, anaemic. Can the Foreign Secretary update us on plans for a regional economic and security council, whether any meetings have been planned and what he will do to push that forward?

Some 318 British military personnel have died in Afghanistan. Every single death and injury weighs heavily on those of us who have had the privilege of meeting our armed forces and their families. We owe it to them to ensure that we have a clear vision of the endgame, that we are consistent in what we say and that we provide the leadership necessary to see this through. That is what we are committed to and what we look to see from the Foreign Secretary and the Government.

Mr Hague: I am grateful to the right hon. Gentleman for his comments and questions, and I pay tribute to him for his work at the London conference, of which much of this work is a direct consequence. That conference set the stage for the Kabul conference, which has been a successful follow-up to what was agreed in London.

The right hon. Gentleman asked a wide range of questions. I shall respond to them perhaps in a roundabout order, but I shall try to cover them all. He asked about the work that we are doing in Helmand, including development work. Some of the money that the Department for International Development is providing, as my right hon. Friends the Secretary of State and the Prime Minister have announced, will go into Helmand, for instance to help build new police stations and patrol bases, giving 2,500 recently trained policemen and women the infrastructure to operate effectively. In Nad Ali, it will fund the building of two new schools to educate 1,900 children and the paving and repairing of roads to try to open up trade and commerce, which, as he knows, is fundamental to improving security and providing livelihoods for people in Helmand and throughout Afghanistan. The money and effort that DFID has announced is not purely dedicated to Helmand, but he can see from what I am saying that some of it will benefit people there.

The right hon. Gentleman is right to draw attention to the operations in Kandahar, which remain in progress. They are not traditional military operations—they are greatly concerned with the quality of governance and not just of holding territory in a military sense. The capacity exists to do that, and we underline constantly to our Afghan colleagues the need for clear Afghan leadership and support for the operations in Kandahar.

On the number of troops, it is true that the quantity is there. In fact, the quantity is ahead of schedule: the Afghan national army has already met its target of 134,000 strength, ahead of October. That is why I said in my statement that although there are often setbacks and discouragements, we should listen not just to the bad news. Sometimes, there is good news that we ought to comment on and recognise as part of the balance in presenting what is going on. Of course, quality is important too, and that shows the importance of the ongoing training and the embedded partnering that will be at the heart of our forces' work over the coming months and, very likely, the coming years.

The right hon. Gentleman quite rightly pointed to the low level of recruitment to the Afghan national army among south Pashtun people. That is a long-running problem, as he knows, and it is not easily solved, except as part—one day—of a wider political settlement, involving support across Afghanistan for the basis of governance and authority. That cannot be solved overnight, but the build up of the ANA is so far one of the success stories taking place in Afghanistan.

We of course discussed regional co-operation at the conference and raised it with many other nations. In our time in office so far, the Government have concentrated on encouraging closer co-operation between Pakistan and Afghanistan, which is indeed taking place. It is also encouraging to see the strong support of India. More than $1 billion of support will come from India over the next few years for development in Afghanistan. Regional co-operation is improving, but it needs to improve further on the back of the Kabul conference. Other nations in the region were around the table in Kabul yesterday, including Uzbekistan and, indeed, Iran. As I said, the basis for regional co-operation is at least improving.

On the question of a political settlement, the Kabul conference is taking forward the commitments made at London. The Afghan President has now established the high peace council. He won support from the peace jirga at the beginning of last month for a process of reconciliation and reintegration, and the reintegration trust fund has now been established—again, that was one of the commitments made at the London conference. We stress, as the Deputy Prime Minister stressed at Prime Minister's questions, that a political process remains fundamentally important. None of us thinks that there is a purely military solution to the problem, but the process of reconciliation must be Afghan led. My right hon. Friend the Secretary of State for International Development and I stressed that in our meeting with President Karzai.

[Mr Hague]

On timings, in the last 24 hours the Prime Minister again put things very clearly when he said:

"The faster we can transition districts and provinces to Afghan control, clearly the faster that some forces can be brought home...I don't want to raise expectations about that because that transition should be based on how well the security situation is progressing."

However, he also said:

"What I have said is"

that

"people in Britain should understand we're not going to be there in five years' time, in 2015, with combat troops or large numbers because I think it's important to give people an end date by which we won't be continuing in that way."

That is the position of the Government, and it is consistent with the expectation of the entire international community at the conference yesterday that Afghan security forces will be able to be in the lead by 2014. That is the position of all Ministers in the coalition Government. I am not sure whether the Opposition support that commitment on 2015—they will need to reflect on whether they do so—but I am sure that it is the right position for this country.

Several hon. Members *rose—*

Mr Speaker: Order. Many right hon. and hon. Members are seeking to catch my eye. If I am to accommodate most or, better still, all of them, brevity in both questions and answers is required.

Sir Peter Tapsell (Louth and Horncastle) (Con): Why has it taken NATO nine years to acquaint itself with the facts of life in Afghanistan when it could have learned them by studying the communiqué issued from Kabul in 1842?

Mr Hague: As always, there is some force in my hon. Friend's question and perspective—[Hon. Members: "He was there!"] I do not think he was there, but he always speaks with a good deal of wisdom and perspective on history. It is true that it took a long time for NATO to get its act together in Afghanistan. However, as he would have heard from what I described, it is now true that there is a clear military strategy, a very clear economic and development strategy, and the prospect of a political process, which as the right hon. Member for South Shields (David Miliband) pointed out, requires further encouragement and work. Those three things have now come together. It has taken many years for that to happen, but we start from where we start, and we must make a success of them.

Mr David Winnick (Walsall North) (Lab): While appreciation of the bravery of British soldiers and a total loathing of everything the Taliban stand for is felt throughout the country, does the Foreign Secretary recognise that public support is increasingly being lost simply because there is an understanding, which I share, that this is an unwinnable war? The hon. Member for Louth and Horncastle (Sir Peter Tapsell) referred to 1842. Is it not the fact that virtually—or perhaps literally—every outside, foreign intervention in Afghanistan has always been unsuccessful?

Mr Hague: The hon. Gentleman must remember that we are in Afghanistan at the invitation of the Government of Afghanistan and under a United Nations mandate. We are not seeking to conquer Afghanistan, which is clearly impossible. One has only to fly over Afghanistan and look down at the deserts and mountain ranges to know in a moment that it is not possible to conquer Afghanistan, but it should be possible to provide the necessary support for a legitimate Government of Afghanistan to conduct their own security and provide for the future of their own people.

The hon. Gentleman is right that there is great public concern. As I said in my statement, I do not want to minimise the difficulties or imply that things are easier than they are, but I believe that if those three things—the military strategy, the economic strategy and a political process—are pursued successfully together it is possible not to have a purely military success, but to succeed in our objective of an Afghanistan that can look after its own security.

Sir Menzies Campbell (North East Fife) (LD): Does the Foreign Secretary accept that what the public will now regard as a timetable for the withdrawal of British troops will depend on better governance from the Karzai Administration, and a degree of professionalism from the Afghan police and army that we have not previously seen? What confidence can we have that those will be achieved in this instance? What is better about July 2010 than any occasion in the past when similar promises have been made and simply not honoured?

Mr Hague: I entirely understand my right hon. and learned Friend's scepticism, because commitments have been made and not honoured in the past. I drew attention in my statement to the fact that not enough progress has been made in matters of governance and tackling corruption. Those are factors that my right hon. Friend the Secretary of State for International Development and I stressed very strongly to President Karzai and Ministers in the Afghan Government.

It is fair to say that progress is being made. For instance, we discussed on Monday in Kabul with the Minister of Mines the forthcoming contracts for the development of Afghanistan's incredibly rich natural resources. He is publishing the 108 contracts to develop those resources and their terms. As the House has discovered, transparency is the best antidote to suspicion or wrongdoing. That is also true in Afghanistan, with wrongdoing on a spectacularly greater scale.

Those lessons are being learned. For instance, rules that are to be introduced to forbid Afghan Ministers or Members of Parliament from having relatives involved in the country's tax system are also important steps forward. I will argue not that we have solved the problem, but that what was committed to at Kabul is important progress.

Mike Gapes (Ilford South) (Lab/Co-op): The Foreign Secretary referred to the aim of accelerating Afghanisation and its governance, including by enhancing security. Can he therefore explain why whereas the London communiqué refers to a number of provinces that will transition to an Afghan lead by late 2010 or early 2011, the Kabul communiqué simply states:

"The Government of Afghanistan and NATO/ISAF are to assess jointly the provinces with the aim of announcing by the end of 2010 that the process of transition is underway"?

Is that due to the influence of General Petraeus, or to the concerns that some NATO partners in those areas of Afghanistan might leave the coalition more quickly?

Mr Hague: No, it simply reflects the complexity of assessing when a province is ready for transition. I do not think that there is any contradiction between the London and Kabul communiqués. The Kabul conference backed the NATO-Afghan joint framework that has been agreed in recent days for assessing which provinces—and, if relevant, districts—are ready for transition from ISAF control to Afghan security control. That assessment will be based on a number of criteria, which will include governance and the rule of law. Predominantly, however, it will be a security-based assessment. As set out in the communiqué, NATO and the Afghan Government intend to announce that the transition process is under way by the end of the year. Further details will be set out at the NATO Lisbon summit. Between the summit and the spring of next year, we expect the first batch of provinces to have transitioned. So I think we are on track, but we are coming to a point at which we need to make the assessments, rather than setting out specific statistical targets.

Richard Ottaway (Croydon South) (Con): I welcome the Foreign Secretary's statement, and particularly his announcement that the Afghan Government will take the lead on security by 2014. Closely interwoven with that aspect is the Government of Pakistan. He has mentioned Pakistan in the context of trade, but to what extent will there be co-ordination and involvement with the Pakistan Government on security?

Mr Hague: That co-operation is also improving. My hon. Friend is quite right to say that this is an important matter, and it is one that I stressed on my visit to Pakistan a few weeks ago, as well as in Afghanistan just now. We must not understate the importance of the trade transit agreement. It will allow goods from Afghanistan to travel through Pakistan to markets in Pakistan or elsewhere much more easily. The security co-operation is also important, however, and it is fair to say that at all levels of government, including military levels, co-operation between the Governments of Afghanistan and Pakistan has improved in recent months. That is something that we will continue to encourage, because it is fundamental to success in the south of Afghanistan. We will continue to press that subject hard.

Mr Geoffrey Robinson (Coventry North West) (Lab): Does the Foreign Secretary agree that a sober, realistic assessment of the UK national interest in Afghanistan reveals the need for sufficient security and stability to prevent al-Qaeda from getting back in and establishing bases there, given that it has now been driven out successfully? Does he agree that we are more likely to achieve that stability and security if the arrangements were to encompass a political agreement—however unpalatable in some respects—with the Taliban, rather than trying to achieve an outright military defeat?

Mr Hague: I agree with much of the thrust of the hon. Gentleman's question, but I am sure that he will agree that the military pressure on the Taliban—the work that our armed forces do in fighting the Taliban and making areas secure—is an important part of putting them under the necessary pressure so that they will want to enter into a political agreement. That is an indispensable part of looking for a political settlement in Afghanistan. I also differ from the hon. Gentleman when he says "however unpalatable". Yes, we want a political settlement in Afghanistan, but we want one under which al-Qaeda cannot return, and under which a constitution is respected and a legitimate Government can be in office and take the necessary decisions. So I think it would be going too far to say that we want an agreement, however unpalatable it might be.

Dr Julian Lewis (New Forest East) (Con): I entirely agree with my right hon. Friend, and indeed with the Deputy Prime Minister, that counter-insurgency campaigns always end in a political settlement. Will he accept, however, that those political settlements can vary from even-handed ones to ones that are little different from a negotiated surrender by one side? By setting a definite date for combat disengagement, he is helpfully putting pressure on the Afghan Government, but no pressure at all on the Taliban. For that reason, will he bear in mind an alternative—namely, the creation of a sovereign base bridgehead area, which would ensure that pressure could be put on both sides so that a compromise might actually be reached?

Mr Hague: I am not going to redefine our objectives. My hon. Friend will understand what the Prime Minister and I, and other Ministers, have said about 2015. Yes, it is true that our announcement puts pressure on the Government of Afghanistan to live up to the commitments that they have made, and it puts pressure on all those involved to ensure that the Afghan national security forces are expanded and trained according to the schedule that has been set out. It also recognises that, by then, we will have been in Helmand for nine years. It is important in any such operation that we achieve our objectives in that time scale. I understand the point that my hon. Friend is making, but I do not want to define our objectives for 2015 any more tightly.

Mr Nigel Dodds (Belfast North) (DUP): May I echo the earlier tributes that were paid to the bravery and courage of our servicemen and women in Afghanistan, and indeed to their families? It is vital that they should not have died or been maimed in vain. The Foreign Secretary will have detected a degree of concern about the ability of the Afghan Government and authorities to implement the necessary reforms and changes that will allow them to take the lead by 2014. Can he assure us that that is the priority, and that the Afghan security forces will be in a position to take the lead by 2014?

Mr Hague: As the right hon. Gentleman can gather, that is the intention of the Government of Afghanistan and of the members of the international community—nearly 80 nations were represented in Kabul yesterday—who are assisting in various ways with that progress. He has voiced a natural scepticism, but the encouraging thing is that that work is on track, and in some cases, ahead of track—certainly in the building up of the Afghan national

[Mr Hague]

army. The Government of Afghanistan will continue to work with the international community to increase the number of skilled and trained security forces personnel. That is clearly a very high priority. At the current rate of progress, the strength of the Afghan national army will reach 171,600 by October 2011, so we are beginning to look at a very large army, and the fact that it is an Afghan army is an important part of the solution.

Mr Edward Leigh (Gainsborough) (Con): Of course we do not want to conquer Afghanistan; nor do we want to scuttle out and leave chaos behind. But is there not, to coin a phrase, a middle way? No foreign combat army has ever held ground for any length of time in Afghanistan—it is like pushing water around in sand. Does my right hon. Friend therefore agree that we ought to place more reliance on Afghan forces, on our own special forces and even on buying or bribing Afghans—anything you like, rather than leaving combat forces on the ground as sitting targets?

Mr Hague: Much of what my hon. Friend suggests is now part and parcel of the strategy that we are pursuing. Almost all the work of our forces will in future be based on embedded partnering with the Afghan forces. We shall be working and fighting alongside the Afghan soldiers themselves. It is interesting to note that, when that happens, our own forces' casualties are generally lower. That is an important part of our strategy, as is the reintegration of former Taliban fighters. The right hon. Member for South Shields noted that not enough of that had happened yet, and that is true, but it is beginning to happen in places such as Nad Ali, where 60 or 70 approaches have been made by people wanting to come back into the local community. So I must stress that this is not just a military effort.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Regrettably, Afghanistan remains one of the most corrupt places on the globe. I accept what the Foreign Secretary said about making progress in that regard, but what progress has been made on law enforcement? Specifically, how many prison places are available in Afghanistan in which offenders might successfully be held?

Mr Hague: The hon. Lady draws our attention to another important issue. Some progress is being made. The expansion of the Afghan national police force is also taking place; there are now 105,000 police officers, against a target of 109,000 by October. They may well hit their target for the number of police by October, which is intended to increase to 134,000 by October of next year. In the case of the police force, quality is an even greater issue than it is with the army, as she knows. That is why a lot of the increased international assistance is going into training the police force, and some of the assistance that my right hon. Friend the Secretary of State for International Development has announced is going in that direction. That work is therefore taking place and is among the most difficult work in Afghanistan, but it is a vital matter.

One area that was too weak in the Afghan Government's preparation for the Kabul conference was the administration of justice. We stressed that at the Kabul conference, as did many other countries, and renewed work is being done in that regard. Only when people accept justice at the hands of the official authorities will the Taliban not hold sway in some parts of Afghanistan.

I do not have to hand an answer on the specific number of prison places, but I will write to the hon. Lady with the details.

Mark Lancaster (Milton Keynes North) (Con): On governance, during my own time in Afghanistan it was clear that great progress was being made in building capacity in national Afghan Ministries, but very much the weak link was the lack of capacity in provincial government. Was that subject discussed during the conference, and how do we intend to address it?

Mr Hague: Yes, it was. My hon. Friend, with his experience in Afghanistan, draws attention to a very difficult area. There has been a great lack of capacity in government at all levels, which, in the opinion of the most capable Afghan Ministers—if I may describe them as that—is beginning to change with the arrival back in Afghanistan of students who have studied away from the country since 2001. There is now a flow of capable, professional, qualified young people back into Afghanistan, and that resource is increasingly helping the central Ministries. There is a Finance Ministry and a Ministry of Mines, which are so essential to the country's economic survival. I do not think that that flow of skilled, qualified people is yet reaching the provincial level, but that is a necessary part of what must happen over the next few years.

Paul Flynn (Newport West) (Lab): Does the Foreign Secretary agree that this very welcome naming of an exit strategy will change the mindset and acquire its own accelerated momentum, whereby the public will say, "If 2014, why not 2011, like the Canadians?" NATO generals and politicians will increasingly ask themselves the John Kerry question: how can I ask a soldier to be the last one to die for a mistake?

Mr Hague: Of course people will question at all times what we are doing, and that should be expected because it is so difficult and costly. However, there is a straightforward answer to the hon. Gentleman's question about the difference between 2014 and 2011. In 2011, the Afghan national security forces will not be remotely ready to lead their own operations throughout the whole of Afghanistan, whereas on current trends and performance, they will be able to in 2014.

There is another way of thinking about the hon. Gentleman's question. If we were simply to abandon the current situation now and say, "We are not going to work with the Afghans to deliver a situation in which they can look after their own security," what would we say to the families and friends of those people who have already died in this effort?

Mr Peter Lilley (Hitchin and Harpenden) (Con): May I congratulate my right hon. Friend and the Prime Minister on beginning the process, which I hope they will accelerate, of disentangling our troops from a bloody and unnecessary commitment? I appreciate that my right hon. Friend has to continue to deploy the argument that the security of our streets requires the commitment of our troops to prevent the re-establishment of al-Qaeda.

But can he, in the privacy of this Chamber, reassure me that he does not actually believe it, since logically it would require us to deploy troops in Yemen, Somalia, Pakistan and elsewhere where al-Qaeda already has a presence?

Mr Hague: My right hon. Friend understandably refers to the privacy of this Chamber, given that we have all said things in it that were widely unnoticed by the rest of the world, and which, when we said them in a television interview two weeks' later, were news to the rest of the country. However, perhaps that is because not enough of our friends are upstairs regularly enough. However, I do not agree—*[Interruption.]* Well, I will not go any further down that road. I do not agree with the wider thrust of my right hon. Friend's question. I would not want the House to think that we are now, as he put it, disentangling ourselves. As he can see, there is a huge British commitment to the international efforts in Afghanistan over the coming years. That is true in military terms and in development terms, so I would not at all put it in the way he has described.

If we failed in, or abandoned, Afghanistan, the opportunity would be there for terrorist bases to be established again in Afghanistan, and it would give great heart to terrorists based in other countries—whether Yemen or Somalia—and embolden them in their own campaigns.

Ann Clwyd (Cynon Valley) (Lab): Given that women have been particularly oppressed in Afghan society—even elected women MPs are still having difficulties working in that society—what assessment has the Foreign Secretary made of the security of women's positions now, such as girls in schools and women in the professions? Does he share Hillary Clinton's worry that talking to the Taliban might further undermine the position of women in Afghan society?

Mr Hague: The position of women in Afghan society is central to the development work that my right hon. Friend the Secretary of State for International Development will be making a further statement about. Some 20% of participants in the recent peace jirga were women, which, we should note, is more than in some western Parliaments or local authorities. Simultaneously with the Kabul conference, the Afghan women's movement held a conference at which all 34 provinces were represented. Part of the agreement at the conference was on a national programme for human rights and civic responsibilities that recognises the rights of women. So there is tremendous support for women's rights in Afghanistan, and we must continue to be true to that in how we conduct ourselves, including in any political settlement.

Bob Russell (Colchester) (LD): In a few weeks' time, 16 Air Assault Brigade will be deployed once more to Helmand province, including some 3,000 soldiers from the Colchester garrison. I welcome the Foreign Secretary's positive, upbeat statement and its reference to the three sides of the triangle—political, economic and military. However, in the summer of 2008 all four battalions of the Parachute Regiment—notably 2 Para and 3 Para, from the Colchester garrison—were engaged in a very dangerous mission to install transformers at the Kajaki dam. Two years later, that has not happened. So in order to act on the Foreign Secretary's statement about supporting the Afghan economy and helping new jobs through investment, including in power generation, what positive action is going to be taken?

Mr Hague: I recognise that it is my hon. Friend's constituents who will go out to Afghanistan, and that is often the case with me—Catterick garrison is in my constituency and many of the forces based there have been in Afghanistan in recent months. He is right to point out what has happened with the Kajaki dam, but it is also important to point out the improvements that are now taking place and will be taking place in Afghanistan under the commitments given at the Kabul conference. They include priority programmes on agriculture, on access to safe drinking water, on half a million more jobs in agriculture, and on training in technical skills in the next three years up to 300,000 people who have never attended school, so that we can see—as long as these plans are implemented—major improvements in the lives of the people of Afghanistan.

Mark Durkan (Foyle) (SDLP): There are some future risks in having an ever-stronger Afghan army if it is alongside a still systemically corrupt and weak Government. The Foreign Secretary referred in his statement to the Afghan Government's drawing together for the first time across government a strategy to deliver widespread reform. However, toward the end of his statement he also acknowledged that measures to enforce transparency, anti-corruption and accountability have slipped. Can he therefore tell us how credible Karzai's commitment is to a reform strategy, how robust the plans are, and how reliable the oversight and review mechanisms to which he referred will be? Will they ensure that the process of reintegration will not involve simply creating a new matrix of corruption?

Mr Speaker: That was four questions, but one answer will suffice.

Mr Hague: Yes, Mr Speaker. I realise that we must proceed with greater speed. I hope that I have given some answer to all four of those questions earlier in my responses. We are talking about an area where not enough has been achieved; we stressed that strongly at the conference. I mentioned earlier several of the specific mechanisms being introduced to tackle corruption. The hon. Gentleman is quite right that a large army, without a system of administration that is relatively free from corruption, would not be a safe thing to have. I hope that I answered some of his questions earlier.

Mr Julian Brazier (Canterbury) (Con): Although I welcome my right hon. Friend's comments on the growth of the Afghan national forces, and on local reconciliation, does he recognise that one of the keys to success, both in the campaign in Iraq and, in earlier eras, in campaigns in the region that we are discussing, has been buying off, and getting onside, local groups of armed men?

Mr Hague: Yes, it has. We should be careful about reading straight across from one conflict to another; the social and tribal composition of Afghanistan is different from that in Iraq. However, the reintegration programme, for which there is now a fund, is about people who have been fighting coming back into their community, and

[Mr Hague]

that community then being supported in a way that makes life better for it, and for those who were formerly fighting. That is one form of what my hon. Friend is talking about.

Jeremy Corbyn (Islington North) (Lab): There is now an Afghan army more than twice the size of the entire British armed forces, and we are apparently committed to being in Afghanistan for another five years. How much more is all this going to cost? Given that public support for the Afghan war is declining in Britain and Afghanistan, is it not better just to cut our losses and announce a much earlier date for withdrawal, rather than go through the torpor of another five years of increasing numbers of deaths among British soldiers and Afghan civilians, and an increasingly desperate civil war in that country, in which we will be forced to take sides?

Mr Hague: The hon. Gentleman has a completely different view on the subject, and that is understood and respected. He would not have got involved in Afghanistan in the first place—I realise that—and he has always called for an end to our involvement. I have a different view, and so, I think, do the majority of Members in the House, as well as the former Government and the coalition Government. We want to give the international strategy the necessary time and support to succeed. Yes, it is expensive; the cost runs to billions of pounds a year. More important than that, it is expensive in lives, as we know, but the alternative—failure in Afghanistan—would, we believe, be deeply damaging to the peace and security of the world. That is the choice that we have to make.

Mr John Baron (Basildon and Billericay) (Con): Despite individuals' opposition to our policy in Afghanistan, unity of purpose is important, going forward, if we are to achieve any sort of success in that country. Given the impression still being created by disparate voices in the coalition—including, most recently, by what President Karzai said on strategy—will the Foreign Secretary take the opportunity to confirm that what will ultimately decide the timetable for British withdrawal is the achievement of set objectives, not predetermined timelines? Otherwise, we are making things easier for the Taliban.

Mr Hague: I would not want my hon. Friend to be under the impression that the Prime Minister is not absolutely clear about what he and other Ministers have said about 2015—that we will not be there with combat troops, and will not be there in significant numbers, in five years' time. I do not want to leave my hon. Friend with any impression that there is any doubt about that. However, that is on the basis of what has been said over the past year, and what we were all committed to at President Karzai's inauguration, the London conference and the Kabul conference—the Afghan national security forces being able to lead their own operations by 2014. They are on track to do that. There is, of course, a little bit of leeway in what we have said, given that the target is for 2014, and we want to stick to that.

Mr David Hanson (Delyn) (Lab): Will the Foreign Secretary say what discussions he has had with Cabinet Ministers other than the International Development Secretary about offering expertise in kind to Afghanistan, such as police, court and prison support, and justice support generally? In passing, would he like to comment on what the Deputy Prime Minister said at Prime Minister's questions about Iraq being an illegal war?

Mr Hague: The Deputy Prime Minister has a different history from mine on that subject; that is certainly true. It is, of course, for the Ministers who were in power at the time to account for their actions, but that, I know, Mr Speaker, is a separate subject from today's. There is work on, and involvement in, the issue across Whitehall, as there was under the previous Government, with different agencies and Departments taking part—through provincial reconstruction teams, for instance—in the development of the capacity of the Afghan state. Of course we will continue that.

Nadhim Zahawi (Stratford-on-Avon) (Con): Does my right hon. Friend agree that, contrary to some of the views that we have heard today, setting a target date for withdrawal does not necessarily lessen the chances of success? That is a lesson that we can learn from Iraq; in the Sunni triangle, when the Petraeus doctrine was given the resources to work, it worked, even though the American Administration set a target for withdrawal of their combat troops.

Mr Hague: My hon. Friend makes a very powerful point, and he can see that we, and nearly 80 international partners, are giving the strategy the necessary resources—and the necessary time—to succeed. We are also clear that we cannot be in Afghanistan for ever in a combat role.

Angus Robertson (Moray) (SNP): We welcome the speediest return of combat forces from Afghanistan, but the Foreign Secretary knows that UK units are, in the weeks and months ahead, being deployed to Afghanistan. Given the uproar during Iraq operations when announcements were made about the amalgamation and disbandment of units at the front, will he give a commitment that that will not happen in the case of Afghanistan as a consequence of the strategic defence and security review?

Mr Hague: I fully take the hon. Gentleman's point, and I recall the controversy at the time, but as the strategic defence and security review is ongoing, I cannot give commitments about its outcome.

Andrew Selous (South West Bedfordshire) (Con): Could my right hon. Friend tell the House what remonstrations Her Majesty's Government are making about the position of Muslim converts to Christianity in Afghanistan, many of whom have been arrested, and some of whom face execution?

Mr Hague: We have indeed made remonstrations on that subject, as did the previous Government, and I expect that we will do so again. My hon. Friend is quite right to feel strongly about the issue. It was not the subject of the conference yesterday, which, as he will gather, was about the economic development of Afghanistan, but we always stand ready to make such remonstrations, and I should be happy to discuss the subject with him.

Keith Vaz (Leicester East) (Lab): In the margins of the conference, did the Foreign Secretary have an opportunity to discuss, especially with the Americans, the situation in Yemen? As he knows, the London conference was about Afghanistan, but there was a conference about Yemen at the same time. We welcome the visit of the Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for North East Bedfordshire (Alistair Burt), to Yemen, but will the Foreign Secretary please make sure that the Government's focus remains on that country? Al-Qaeda is already there. If it is pushed out of Afghanistan, it will merely go to Yemen and strengthen its forces there.

Mr Hague: The right hon. Gentleman makes a very powerful point, with which I agree strongly. I had many bilateral meetings with other Foreign Ministers during the Kabul conference, and that was a regular subject. Indeed, my right hon. Friend the Defence Secretary and I have spent most of the morning with the Italian Foreign and Defence Ministers, and Yemen was high on our agenda, as was Somalia, on which the Italians have particular expertise. We will try to make sure over the coming months that we reinvigorate the Friends of Yemen process launched by the right hon. Member for South Shields, and I fully take the point made by the right hon. Member for Leicester East (Keith Vaz).

Rehman Chishti (Gillingham and Rainham) (Con): May I commend the Foreign Secretary on the role that he played at the Kabul conference, and ask him what proportion of the Taliban are Afghan, and what proportion are from outside Afghanistan? That will be a relevant factor in a long-lasting political settlement.

Mr Hague: I thank my hon. Friend for his comments. He will understand that there are few precise statistics on the subject, but it is interesting to note that most of the Taliban who have been killed, so far as we can determine, were fighting within about 20 miles of their home. That is why we should attach importance to the reintegration process; they are certainly not all of an ideological disposition, and it is, of course, easier to come to a political settlement with those who are not.

Yasmin Qureshi (Bolton South East) (Lab): The Foreign Secretary referred in his statement to a number of things that will be done, and one of them was the development of mining. It is well known that Afghanistan has something in the region of $1 trillion-worth of precious materials, gas and oil. What steps will he take to ensure that the Afghani people benefit from the mining of their country?

Mr Hague: That is a very important point. On Monday I visited the Herat region in western Afghanistan, an area rich in mineral wealth. Not only is it very much part of the Kabul process to ensure that an estimated $11 billion can be added to Afghanistan's GDP into the 2020s by the proper exploitation of its extractive industries, but, as the hon. Lady can tell from what I said earlier about the transparency of the publication of all the contracts now for the development of those industries, big steps are being made to ensure that the Afghan people benefit from them.

Dan Byles (North Warwickshire) (Con): Does my right hon. Friend agree that most front-line Taliban fighters hold no particular love for the Taliban but simply fight because they are paid to do so and have few other economic opportunities, and that economic development, agricultural reform and support for those who are willing to become ex-Taliban fighters must form an essential part of our strategy for withdrawal?

Mr Hague: My hon. Friend is absolutely right. That is a vital part of what the reintegration programme is about, and that is why it is so important to provide economic opportunity for people, including in Helmand. As he can gather, that is an important part of our strategy.

Jim Shannon (Strangford) (DUP): The Irish Guards are redeploying again, so I welcome the Foreign Secretary's comments in relation to the troops and the fact that they are an encouragement for them. In relation to winning the hearts and minds of those in Afghanistan, will he give us some more detail about the road structure? As I understand it, the road programme will not be one of the targets, and he made no mention today of the farmers and those involved in drugs, and the need to encourage them away from that. Will he comment on that?

Mr Hague: That is a lot more subjects than I can deal with at this stage of proceedings. I mentioned earlier that one of the objectives in the programmes adopted at the conference yesterday is to create 500,000 more jobs in agriculture. There are four priority programmes in agriculture and the provision of access to safe drinking water, so a tremendous amount of work is contained in this. If the hon. Gentleman studies the communiqué and the statement of my right hon. Friend the Secretary of State for International Development about our development work, he will see that the issues that he raises are all being addressed.

Dr Sarah Wollaston (Totnes) (Con): In the drive to tackle corruption in Afghanistan, will my right hon. Friend say a little more about what steps are being taken to disrupt the drugs industry, which does spread its tentacles very directly to our streets?

Mr Hague: Yes, the British Government continue to give a lot of resources to counter-narcotics work—£26 million in the current financial year. We support programmes for growing alternative crops in Afghanistan. I was interested to note in Herat on Monday that saffron is being grown on a wide scale and brings a much larger income to the farmer than the growing of opium poppies. The UN Office on Drugs and Crime has reported a 22% fall in opium poppy cultivation in Afghanistan in the last year.

Gavin Shuker (Luton South) (Lab/Co-op): I wish the Foreign Secretary well in the difficult task of bringing our troops home. What is the position of our partner nations with regard to the 2015 unconditional withdrawal date, of which the Prime Minister spoke?

Mr Hague: There is no difficulty on that among our partner nations. We have discussed it with the United States and with many other partners, and they are entirely comfortable with that position. In all the meetings that I held yesterday, I do not think that any of those whom I met raised any objection to it.

Gavin Barwell (Croydon Central) (Con): My right hon. Friend will not be surprised to hear that many of my constituents are sceptical about our prospects of success in Afghanistan. He warned both against over-optimism and over-pessimism. I appreciate the complexity of the subject, but does he think that there is the potential to provide a few simple metrics by which hon. Members and the general public can measure success in implementing the plan during the next four years?

Mr Hague: In a way, yes. The Kabul process is a clear programme for the future in Afghanistan. I think that my hon. Friend and all of us in the House, and those of his constituents who take a close interest in these matters, will be able to see whether it is being implemented or not. Clearly there are statistical targets such as the size of the army and the police and the growth of the economy. Those things do exist, but, as he knows, it is the quality of them that matters as well as the timing of the quantity being achieved, so I am reluctant to say, "Here are four or five things by which we judge the entire situation." But I think that we will be able to see whether this is working or not.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I thank the Foreign Secretary for the information that he has given us with regard to the progress made with recruitment to the Afghan army and police. He will know that a minority, but a substantial minority, of the personnel involved in those institutions are viewed by British forces as being unreliable. What assurances can he give us that the forces that we leave behind will be able to do the job and that this is not a tick-box exercise to reach a number that will not be able to provide for the security of Afghanistan and that will require us to go back in again at some point after 2015?

Mr Hague: It is for that reason that the focus on police training, which I mentioned earlier, and the role of our forces in being overwhelmingly devoted in the future to embedded partnering with Afghan soldiers are so important. The hon. Gentleman is right that not every experience of that is universally good, but, nevertheless, it is generally good, and that is important to stress. As the Afghan national army develops, our forces have a respect for what they are doing and they work well alongside them.

Several hon. Members *rose—*

Mr Speaker: Order. I am grateful to colleagues, including the Foreign Secretary, for their co-operation.

Points of Order

1.36 pm

Angus Robertson (Moray) (SNP): On a point of order, Mr. Speaker. Given the comments of the Prime Minister in Washington yesterday, are the Government seeking to make a statement in the House about their plans to release all documentation relating to the prisoner transfer agreement between the UK Government and Libya? Will UK Ministers and, now, shadow Ministers, come to the House to explain why they signed a PTA deal with Colonel Gaddafi at the same time as an economic agreement was being signed with BP?

Mr Speaker: The hon. Gentleman is an experienced enough parliamentarian to know extremely well that that was not a point of order, but the views that he has expressed and the concern that he has articulated will have been heard. The short answer to his question is that I have had no indication from a Foreign Office Minister of any intention to make a statement on that matter. Whether Ministers will seek to do so in light of what the hon. Gentleman has said remains to be seen, and he will require his usual patience.

Dr Julian Lewis (New Forest East) (Con): On a point of order, Mr. Speaker. I understand fully that any expenses system, including one involving home accommodation, must retain records of hon. Members' private home addresses, private telephone numbers and private bank details. But were you as disturbed as I was to read in *The Times* on 15 July that, owing to a glitch in the website, all such details became accessible to 1,300 hon. Members and their assistants, who are entitled to log on to their own part of the website? Such mistakes can always happen with online systems. Will you, Mr. Speaker, take up with the Independent Parliamentary Standards Authority, and, if necessary with the Information Commissioner's Office, the necessity to impress upon IPSA that such private details should not be held in any online system whatsoever, as there is absolutely no need for the information to be held in that vulnerable way?

Mr Speaker: I was as disturbed as the hon. Gentleman by this very unfortunate incident and breach of security. The Speaker's Committee on IPSA is now the appropriate forum through which concerns about matters of operation or policy can be transmitted to IPSA. I have regular meetings with representatives of IPSA. It will not be my normal practice to talk in this House about the detail of those exchanges, but the hon. Gentleman has raised a very serious point, and I am aware of other Members who have expressed similar concerns. Those concerns will be transmitted, and I will be happy to play my proper role in helping to transmit them.

Mr Clive Betts (Sheffield South East) (Lab): On a point of order, Mr Speaker. You have made it clear in the past that if a right hon. or hon. Member makes a statement in this House that is subsequently proved to be inaccurate, they should—at the earliest opportunity—make a correction to the House. On 22 June, we learned in Prime Minister's questions that the Deputy Prime Minister had made a statement about the directors of Sheffield Forgemasters not being prepared to dilute their shareholding. Subsequently, he wrote to the chief

executive saying that he recognised the inaccuracy of those comments, that he withdrew them and that he apologised. However, despite repeated opportunities at Prime Minister's questions today—I listened as carefully as I could—the Deputy Prime Minister did not apologise, accept that he had been wrong or withdraw or correct his comments. Do you, or the House in general, have any powers to ensure that the record of the House can be corrected in this instance?

Mr Speaker: I have several points to make in response to that point of order. First, I ruled on the matter yesterday and it would be unwise to add to or pick at an earlier ruling about the appropriateness of correcting in the House factually incorrect statements made in the House. Secondly, I know that the hon. Gentleman will not take umbrage if I suggest that he is as persistent a woodpecker in the House as there is to be found. He has raised this matter before and he knows perfectly well that it was raised at some considerable length with the Deputy Prime Minister at Prime Minister's questions. I have a slight anxiety that the hon. Gentleman is now seeking to continue the debate, and that would not be right. Thirdly, the hon. Gentleman need be patient for only a few hours because, unless I am mistaken, he has an Adjournment debate on the matter in which these and other points will probably be developed eloquently and at appropriate length.

Jim Shannon (Strangford) (DUP): On a point of order, Mr Speaker. Last night we had a debate on the UK Youth Parliament and one Member spoke for an hour and 17 minutes. Is it correct, proper and appropriate—and is it in order—that a Member should speak for that length of time so that others who wish to make a contribution are denied the opportunity?

Mr Speaker: I am grateful to the hon. Gentleman for that point of order and the answer to him is twofold. If something disorderly occurs, the Chair will ensure that it is stopped and that a Member does not continue in disorderly conduct. On the wider point about long speeches by some Members preventing others from contributing to a debate, it is true. However, it would be wrong for me to say to the hon. Gentleman, who is a new and committed Member, that a new precedent was somehow established last night. There have been occasions on which very long speeches by one Member have prevented other Members from contributing. It is a regrettable state of affairs and I know that the hon. Gentleman is often keen to catch the eye of the Chair. If he is persistent on other occasions, I am sure that he will get his fair share of opportunities. Account may also be taken by the Chair of occasions on which a Member has wished to speak and, because of long-windedness by someone else, has failed to do so.

Credit Regulation (Child Pornography)

Motion for leave to introduce a Bill (Standing Order No. 23)

1.43 pm

Geraint Davies (Swansea West) (Lab/Co-op): I beg to move,

That leave be given to bring in a Bill to impose penalties on credit and debit card providers for the facilitation of the downloading of child pornography from the internet; and for connected purposes.

My Bill would penalise credit card companies that enable the downloading of child pornography off the internet. The *International Business Times* says:

"Child pornography is one of the fastest growing businesses online".

Let us not forget that behind every image is a child who has been abused, tragically immortalised on the web. Until 2002, users simply submitted their credit and debit card details online to download images of abuse from the web. These days the new route for users is to hide their identity by using pre-paid credit cards to download images. These pre-paid cards are available to adults and children for £100 a time at service stations and high street retailers without the need to provide proof of identity.

These Visa, Mastercard and other cards are then used to download images of child abuse by simply clicking on spam links to enter a growing number of sites. The user simply exchanges the credit card number and its value for a password to enable downloading. If more credit is needed, it is just a matter of buying more £100 cards to pay for more and more abuse. The same cards are used by children to buy knives, alcohol and other items online. All the buyer has to do is put his name and address down as, say, Donald Duck at Buckingham Palace, and away he goes.

The simple fact is that, under current legislation, no proof of identity is required for card values below £100 or €150. So the existing controls, which were designed to target money laundering via the now abolished Financial Services Authority, do not work to protect children or to stop the growth of online child pornography. That is why Parliament should back the provisions in my Bill to make credit and debit card companies liable for penalties when their cards are used to download images of abuse.

The provisions will work. International evidence shows that the authorities can target payment systems to change behaviour. For example, in the USA, credit card companies were banned from being used for internet gambling transactions and face fines if they allow such use. But in addition to fines, my Bill would require proof of identity and address such as passports, birth certificates or utility bills to buy pre-paid credit cards.

We cannot just rely—as some think we can—on the credit card industry policing itself. During Operation Ore, in 2002 the police carried out a mass raid on those using conventional credit cards to download child pornography, and that led to 1,750 convictions and 700 cautions. Since then, the credit card companies, including Visa and Mastercard, have invested heavily to stop the use of conventional cards, but that particular horse had, of course, already bolted. Few abusers would now risk their identities becoming known, so now they use

[Geraint Davies]

pre-paid cards instead. Once more we find ourselves with growing credit card-driven child abuse on the web. The credit card companies are not taking pre-emptive action. There is lots of money involved and no appetite for voluntary industry action—*[Interruption.]* I thank hon. Members for their support for taking action rather than sitting back and letting the abuse go on. The more time that goes by, the more children are being abused. The more financial momentum these transactions cause, the more child abuse image users and addicts are created.

So Parliament must act and it is with no hesitation that I offer this Bill for the House to support. I am grateful for the blessing of hon. Members on both sides of the House and growing public interest—this is the BBC's second most watched online story today and, I am reliably informed, is No. 2 on Teletext. I hope that the Government will listen and adopt the provisions into mainstream legislation. Today, let the House speak with one voice and send a clear message to those who would have our children abused and those who allow it to happen that we will not stand idly by. We will use the powers at our disposal and we will put the protection of children first.

Question put and agreed to.

Ordered,

That Geraint Davies, Catherine McKinnell, Mr Edward Leigh, Jessica Morden, Greg Mulholland, Luciana Berger, Mr Peter Bone, Nia Griffith, Mr Ian Davidson, Rosie Cooper, Lindsay Roy and Mr Adam Holloway present the Bill.

Geraint Davies accordingly presented the Bill.

Bill read the First time; to be read a Second time on 19 November 2010 and to be printed (Bill 61).

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)).

Terms and Conditions of Employment

That the draft National Minimum Wage Regulations 1999 (Amendment) Regulations 2010, which were laid before this House on 21 June, be approved.—*(James Duddridge.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)).

Corporation Tax

That the draft Qualifying Oil Fields Order 2010, which was laid before this House on 23 June, be approved.—*(James Duddridge.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)).

Child Trust Funds

That the draft Child Trust Funds (Amendment No. 3) Regulations 2010, which were laid before this House on 29 June, be approved.—*(James Duddridge.)*

The House divided: Ayes 315, Noes 220.

Division No. 36] **[1.51 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cairns, Alun
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris

Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soubry, Anna
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
Whittaker, Craig
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Shailesh Vara and Jeremy Wright

NOES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brown, Lyn
Brown, Mr Russell
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Corbyn, Jeremy
Creasy, Stella
Cruddas, Jon
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Elman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark

Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Llwyd, Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
McCabe, Steve
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, Dr Alasdair
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheridan, Jim
Shuker, Gavin
Simpson, David
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Weir, Mr Mike
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Wood, Mike
Woodcock, John
Woolas, Mr Phil
Wright, Mr Iain

Tellers for the Noes:
David Wright and Mary Creagh

Question accordingly agreed to.

Mr Deputy Speaker (Mr Lindsay Hoyle): I should announce to the House that the vote in the deferred Division will now resume, and the Lobby will stay open until 2.15 pm. Those Members who have not voted in the deferred Division may do so until then.

Academies Bill [*Lords*]

[1st Allocated Day]

Considered in Committee

[Mr Lindsay Hoyle *in the Chair*]

Clause 1

Academy arrangements

2.4 pm

Vernon Coaker (Gedling) (Lab): I beg to move amendment 28, page 1, line 18, leave out from '(6)' to end of line 20.

Just so that I start off on the right foot, is it Mr Hoyle or Mr Deputy Speaker?

The Chairman of Ways and Means (Mr Lindsay Hoyle): Mr Hoyle.

Vernon Coaker: Right; I just thought that I would embarrass myself, rather than have everyone else embarrassing themselves by not knowing what to say.

It is a great pleasure to be going through the various provisions of the Bill. Let me also take this opportunity to welcome the Government Front-Bench team to their roles. This is their first opportunity to take a Bill through the Commons. Normally today's proceedings would have happened upstairs but, without making a point, I can say that theirs is still a demanding role, but one that I know they will enjoy. It is also quite nice to be on this side of the Committee, from where I can ask the questions and not have to think what the answers are. Having said that, I would much rather be in power and have that responsibility.

With that welcome, let me say that the Bill and our discussions on it are extremely important, and while it is—

Mr Rob Wilson (Reading East) (Con): Will the hon. Gentleman give way?

Vernon Coaker: I will in a moment. The hon. Gentleman should let me get started. If he gives me just two minutes, I will say something and then he might want to intervene—unless, of course, he wants to intervene to welcome my welcome.

It is good to be here to debate the issues, but let me say one thing. I know that there will be serious differences of opinion in this discussion, but I also know that we are all motivated by a desire to improve educational standards. There are real differences between us on how we achieve that and what the best way forward for our state school system is. However, I accept that we are all motivated by a desire to try to do the best for the young people of this country, and I know that that is true among all Members, right across the House.

Mr Wilson *rose—*

Vernon Coaker: I will give way to the hon. Gentleman now, because he looks as though he is about to burst if I do not.

Mr Wilson: At the start of the hon. Gentleman's remarks, he said that this was an important debate—and indeed it is—but is he embarrassed by the number of Labour Back Benchers who have come along to support him this afternoon?

Vernon Coaker: No, I am not embarrassed at all; I am afraid that the hon. Gentleman will have to put up with me for the time being.

This is an important debate, but it is also the quality of debate that is important. Over the next few days—today, tomorrow and Monday—the quality of the debate from across the Committee will lead to a Bill that we will oppose, but which, being a good Opposition, we will try to improve, notwithstanding the fact that we do not agree with it.

It is important to say at the beginning that, whether we are talking about the current amendment—amendment 28, which concerns special schools—or any other amendment, at the heart of this debate is the fact that we have a different view of academies and academy education from that which is presented in the Bill. This Bill inverts the way in which the previous Government pursued the academy programme. We established academies in areas of poor educational performance and areas of social disadvantage. The Bill turns that on its head, allowing outstanding schools to fast-track to academy status and allowing primary schools for the first time to become academies, a provision that is the subject of a subsequent amendment, and also allowing special schools to become academies—the subject of amendment 28. Those are all things that we think could damage the provision of education, particularly with respect to special education needs in an area.

Mr Edward Timpson (Crewe and Nantwich) (Con): Does the hon. Gentleman agree with the recommendation in the previous Parliament of the Select Committee on Children, Schools and Families, as it then was, that the freedoms available to academies under his Government should have been available to all schools? Does he have any objection to all schools having such freedoms?

Vernon Coaker: Of course we want freedoms extended to different schools where appropriate. However, if the hon. Gentleman reads the Children, Schools and Families Committee report, he will see that it talked about allowing the expansion of those freedoms within a managed context, not what is being proposed now, which is that these freedoms be extended to schools without any check on them or on how they use those freedoms. The proposals on the local authority role have caused huge disquiet across the country, and will have caused huge disquiet among the hon. Gentleman's Conservative and Liberal colleagues. That is why I am pointing out the difference.

The Chair of the Select Committee is no longer in his place, but it would be interesting to know whether his Committee would have reached the same conclusion about the extension of freedoms to all schools if it had known that it would happen in a context in which the Secretary of State—either through a funding agreement or a direct grant—determined whether a school was operating effectively and conducting itself in an appropriate way. This applies to special schools, as provided for in the amendment, and to any other schools. I believe that

[Vernon Coaker]

the different context is crucial for understanding the conclusions that the Select Committee came to about how the academies programme was developing under the last Government in comparison with this Government's programme. In the light of that difference, the Select Committee might well have reached different conclusions.

Mr John Redwood (Wokingham) (Con): Why is it that extra freedom is good for a badly performing school, while a school that is performing well cannot be trusted with that extra freedom? That does not make any sense.

Vernon Coaker: Of course outstanding schools can be trusted, but such schools have demonstrated that they already have all the freedom they need to be outstanding. Schools in areas of social deprivation or those suffering from educational underperformance should be allowed to operate in a way that, we hope, will raise standards. Evidence on whether or not the hoped-for and expected higher standards have been achieved is not as clear cut as one would like to imagine. I shall come on to deal with impact assessments in more detail later, but for any type of school, the impact assessments are quite wary about the evidence is terms of how much progress has been made in academies. All I am saying to the right hon. Gentleman—to be fair, he operates by trying to make policy on the basis of evidence—is that the evidence is mixed, so to plunge headlong into a massive expansion of academy freedoms without due regard to the evidence is not the right course of action for special schools or others.

Gavin Barwell (Croydon Central) (Con) *rose—*

Mr Redwood *rose—*

Vernon Coaker: I give way to the right hon. Gentleman, who may want to come back to me on this point.

Mr Redwood: I am grateful. Is the hon. Gentleman now saying that Tony Blair's experiment was wrong for schools in the poorly performing areas and that they should not have been made academies? Is that his position?

Vernon Coaker: No, that is a totally different scenario. I was not saying that at all. I was saying that to target academy freedoms in the first instance to schools in areas of educational underperformance and social disadvantage was exactly the right thing to do. My right hon. Friend the shadow Secretary of State agreed a large number of academies and it is clear that we would have gone on to establish more of them. What we are saying is that this model of academies is the right one. As for amendment 28—I want to stay in order, Mr Hoyle—extending the same model to special schools and primary schools without the evidence to back it up is a risk. A managed expansion would be fine, but this is a free-for-all. That is the difference. I understand that the right hon. Gentleman wants to improve educational achievement in an area, but our view is that this proposal creates an unnecessary risk. Allowing outstanding schools to expand through the academy system as the Bill sets out risks creating the two-tier education system that none of us wants.

Gavin Barwell: The hon. Gentleman talks about a massive expansion, but surely the key point about this legislation is that it is permissive. Special schools and primary schools will become academies only if those schools themselves judge that they want to be academies. Does he not trust the judgment of those schools, their head teachers and their governing bodies?

Vernon Coaker: It is simply not the case that the hon. Gentleman's Front-Bench team wants this to be a gentle expansion and not a big bang. The Secretary of State sees this as a flagship Bill. The idea is to try as hard as possible—notwithstanding the impact assessments—to expand the number of academies as quickly as possible. If we had been successful in the election and were still in government, we would have expanded the number of academies. Indeed, I had signed up to a number of them coming forward in September—some in the hon. Gentleman's constituency—and my right hon. Friend the Member for Morley and Outwood (Ed Balls) would have expanded the academies programme, as I said.

The issue is the model for the expansion. That is the difference between us. We will argue our way all around the different clauses, but this goes to the very heart of the debate. Our view is that we should concentrate on schools in areas of social disadvantage and educational underperformance; this Government's view is to allow outstanding schools to fast-track to academy status with all the risks that that brings.

2.15 pm

Gavin Barwell: The hon. Gentleman will know that in London constituencies like mine, people in very disadvantaged circumstances often live right next door to fairly affluent areas. Why does he think that only poorly performing schools should try to improve? Why should satisfactory schools, good schools and outstanding schools not also try to raise their standards?

Vernon Coaker: That is a fair point. We want all schools to improve their standards. That is not my point. My point is that allowing only outstanding schools to let rip in this way is likely to cause problems. The hon. Gentleman needs to ask why the Bill does not specifically provide that outstanding schools should or must co-operate and reach an agreement with an underperforming school. As it stands, it is a permissive part of the Bill: it is a good thing to do; it would be nice if those outstanding schools did that. They should do so, but there is no "must" about it. I am not sure how this would work in respect of the programme motion, but the hon. Gentleman might like to consider tabling an amendment formally to require outstanding schools to partner other schools—special schools or whatever—that may be next door to them, but are not satisfactory and are not delivering the standard of education that they want. If he did that, I would look forward to considering whether we could support it.

Pat Glass (North West Durham) (Lab): I am slightly concerned that words such as "freedom" are being used in this context. It is one of those concepts like "apple pie" and "mother's milk", which nobody can disagree with. Given that we have a personalised curriculum and given that much work has been done with head teachers to see what can be developed and offered at key stages 3

and 4, my concern is that we are effectively granting the freedom to disapply the curriculum from many vulnerable children and to restrict what is offered on the curricular diet to certain groups of children. I fear that head teachers will say, "There's no point in that child learning French; he can barely speak English. Sorry."

Vernon Coaker: My hon. Friend makes a very good point. There is a clear tension. We need to ensure that, where appropriate, schools are given the freedom to innovate and to pursue the important objectives they want, but that we do so in a way that does not disadvantage some children.

As I was saying, this goes to heart of the Bill and explains why we tabled amendment 28 to take special schools out of the Bill so that they cannot become academies. If we give those special schools that freedom, there is a potential for it to impact adversely on the entitlements of other children in an area.

Damian Collins (Folkestone and Hythe) (Con): Will the hon. Gentleman give way?

Vernon Coaker: Let me finish the point, and then I will, of course. We are in Committee, so things are a bit calmer.

It is no good giving one person or school freedom without considering how it will impact on the freedom of others. I believe that my hon. Friend the Member for North West Durham (Pat Glass) made that same point, particularly with respect to disadvantaged children, children with special needs and so forth. The hon. Member for North Cornwall (Dan Rogerson) tabled amendments with a similar point in mind for the Liberal Democrats, so these concerns are not restricted to Labour Members.

Chris Skidmore (Kingswood) (Con): Will the hon. Gentleman remind the House who said:

"We need to make it easier for every school to acquire the drive and essential freedoms of Academies...We want every school to be able quickly and easily to become a self-governing independent state school...All schools will be able to have Academy-style freedoms"?

Was it not his former leader, one Anthony Blair? If the hon. Gentleman no longer agrees with those views, when did he depart from them?

Vernon Coaker: I have seen that briefing. I have explained how we have moved on from that point. We are now debating the particular model that the Government are introducing. The context in which those remarks were made was therefore totally different. We are considering how to move from where we are to where we want to be in giving schools more freedom. Our view is different from the hon. Gentleman's and that of his Front Benchers. We believe that, if there is a free-for-all and the local authority's role is taken away, the process is open to danger. That is the point of difference. The hon. Gentleman may think that it is better that whether a school becomes an academy is determined not by the local authority and local people but by the Secretary of State. That is nonsensical. However, he will doubtless defend that position.

Damian Collins (Folkestone and Hythe) (Con): There has been pressure on special schools in particular. Under the previous Government, 186 special schools closed. Does the hon. Gentleman accept that some special schools may welcome the greater security that a bit more independence would give them if they were allowed to become academies?

Vernon Coaker: One of the points behind the hon. Gentleman's question is to ensure that as many young people for whom it is appropriate are included in mainstream education. I would have thought that that was a point of agreement between us. Of course special schools need to be retained, and there is clearly a need for them to have high standards and deliver the quality of education that we all want for children with severe learning difficulties. I am not sure that their becoming academies in the way that the Bill envisages would make much difference. I pay tribute to special schools, which do a fantastic job.

Damian Collins: The hon. Gentleman is right to say that, for parents, choice is at the heart of the matter when deciding whether a mainstream or a special school is most appropriate. Does he agree that such choice should be available to schools, so that a head teacher and a board of governors can decide whether academy status is best for them? They may decide one way or the other, but surely they should have the same choices and opportunities as other schools.

Vernon Coaker: Perhaps the hon. Gentleman would like to table an amendment to provide that schools choosing such a route must consult parents and the local community, and that any application for such status should depend on not only the head teacher and the governing body, but the broader community, particularly parents. I take his point that parents are always important in education, but that applies particularly to parents of pupils in special schools. They are especially dependent on not only the support that the schools give the young person, whom they have the responsibility of educating, but the emotional advice and support that they often give parents, sometimes in very difficult circumstances. If the hon. Gentleman thinks that that is important, why does not he amend the Bill to make it a requirement that schools taking the route that he suggests consult parents? It should not be a case of a whimsical, "It's good practice if you do that, it'll be in the funding agreement." Let us have a bit of clarity about what is expected from such a radical reform.

Dan Rogerson (North Cornwall) (LD): Will the hon. Gentleman give way?

Vernon Coaker: I will give way to a different part of the coalition.

Dan Rogerson: The hon. Gentleman is even-handed, for which I thank him. I direct him to clause 5, which deals with consultation on conversion. Subsection (1) states:

"Before a maintained school in England is converted into an Academy, the school's governing body must consult".

It includes the word "must". Has he looked at the version of the Bill that came from the other place?

Vernon Coaker: I have, and the subsection goes on,

[Vernon Coaker]

"must consult such persons as they think appropriate."

Why does not it specify parents? It simply says, consult "as they think appropriate." I have read the Bill and I can read the words "as they think appropriate." Subsection (3) states:

"The consultation may take place before"—

which is fine—

"or after an Academy order".

The hon. Member for Folkestone and Hythe (Damian Collins) made a good point. If a school, particularly a special school, wants to follow the route that he proposed, one should not have a broad "consult people where appropriate" provision, but a list of people, including parents, who are exceptionally important, to consult. Why does subsection (3) say "before or after"? I am not a cynic, but the vast majority of our constituents will think that, if we provide for a school to consult after an academy order is made, such consultation is just a way of smoothing the process, rather than proper, legitimate consultation about whether it is the right thing to do. The constituents of the hon. Member for North Cornwall may be different from mine, but that is what my constituents would think.

Mr Rob Wilson: The hon. Gentleman has been generous in giving way. The Avenue school in Reading is an outstanding special school, led by a brilliant head teacher, Sue Bourne. Why do the Opposition want to take away the right to become an academy from her and her school, when that is clearly what they want to do?

Vernon Coaker: If it is an outstanding school, it has become one under the existing arrangements. We are worried that one school's freedom could be detrimental to the wider school system. That goes to the heart of the matter. The hon. Gentleman disagrees, and it is a point of debate and discussion. He will have to argue with other special schools and other head teachers, whom I, and no doubt others, could cite, who greatly fear that fragmenting the system, with some schools following the academy route while others do not, means that the overall collective provision in an area for particularly vulnerable children is put at risk. That is even before we have reached the question, which the Minister of State, Department for Education, the hon. Member for Bognor Regis and Littlehampton (Mr Gibb) will have to answer, about funding, admissions, the area that a school serves and its relationship with other schools. We are obliged to take all those matters on trust.

Mr Robert Buckland (South Swindon) (Con): I was very interested to hear the hon. Gentleman's concern about a lack of co-ordination for provision. Does he accept that some good work has been done in clause 2(6), which deals with low-incidence special educational needs? It provides for retaining the money for that provision under the control of the local education authority. The problem about which he is rightly worried will be largely avoided, and we can still have special resources and units for people with low-incidence special needs.

Vernon Coaker: The hon. Gentleman is right. That provision is the result of an amendment in the House of Lords, and it makes a significant improvement to the Bill. It would be stupid and churlish to deny that. The Government deserve credit for amending the measure and including that provision. They have made other amendments, which have improved the Bill. However, the hon. Gentleman, who knows a lot about special needs, knows that the provision deals with low-incidence special needs whereas the amendment deals with special schools. When people talk about special needs, low-incidence special needs are often neglected. Like other hon. Members, I know from professionals that they often feel that provision can be made for someone with serious learning difficulties. Some people, however, have an unrecognised or low-incidence special need, and the fact that that is covered in the Bill is a big step forward. Of course, the devil will be in the detail when it comes to how the funding will work, and how it will be judged whether a school is meeting the requirements of young people with low-incidence special needs.

Special schools are a different matter, as I have been trying to explain to various Members. They contain young people with particularly profound learning difficulties, rather than young people with low-incidence special needs. I think that rushing into allowing those schools to become academies puts at risk the cohesion, planning and co-ordination of provision for the young people involved.

2.30 pm

Several hon. Members *rose—*

Vernon Coaker: I will give way to the Minister first, and then to my hon. Friend the Member for Brent North (Barry Gardiner). May I make one point first, Mr Hoyle?

The Minister of State, Department for Education (Mr Nick Gibb): It's your speech.

Vernon Coaker: It is my speech; I thank my hon. Friend—for he is my friend—the Minister of State. I will always give way to Members. However, I do not want to hear a point of order at 10 pm about how the Minister went on—*[Interruption.]* I mean the shadow Minister.

Mr Gibb: I am grateful to the shadow Minister for giving way. He was a very effective schools Minister, and, along with his right hon. Friend the Secretary of State, he presided over 200 academies. Did he find that those 200 academies were not involved in their communities, and did not participate in local plans to raise standards across the board? Were they the islands unto themselves that he now claims the new academies will be?

Vernon Coaker: The point is that the whole of that system was based on local consensus. Local authorities and local communities were involved, and difficult and tough decisions were sometimes made in the face of significant opposition. The academies programme was developed on the basis of local agreement, which meant the local community telling schools that they must take part in all the partnerships.

Those were secondary schools, but, as the Minister knows, the amendment deals with the possible extension of academy status to special schools and primary schools, which would involve a massive expansion. A managed

expansion is one thing, but, as both Ministers of State will probably point out, the Bill is permissive—permissive, that is, to the extent that it allows almost everything to be done by means of the funding agreement or the direct grant arrangements. Regardless of ideological differences, even Government Back Benchers draw attention to the lack of a statutory requirement for things to be done that people consider necessary, which I think is a serious weakness, particularly as a funding agreement, which is a contract, would ultimately have to be tested in the courts.

Let me say this to the Minister: in all honesty. I am not making a point about the Bill being rushed through; that was dealt with when we debated the programme motion. If I were in charge of the Bill, I would think that, notwithstanding some of the improvements made by the House of Lords—such as the provision for low-incidence special needs, which were mentioned by the hon. Member for South Swindon (Mr Buckland), and the application to academies of section 4 of the Education Act 1996—when it comes to exclusions, admissions and, in particular, special schools, it is no use talking about things that people "should" do. It is no use saying, "These are important matters on which parents should be consulted. These people should be consulted, and those people should be consulted." The Bill should lay down an absolute requirement, especially in relation to those with the most profound learning difficulties.

Barry Gardiner (Brent North) (Lab): Schools in Brent are in a difficult position, given the proposal to redistribute special educational needs among schools. It is proposed that autism, learning difficulties and challenging behaviour be apportioned between Cardinal Hinsley high school, Queens Park community school, Alperton community school and Copland community school. All those schools have fallen victim to the Building Schools for the Future cuts, at the same time as the amalgamation of the two special schools, Hay Lane and Grove Park. In the circumstances, it would be incredible if an order were allowed for academy arrangements to be pursued with consultation taking place only afterwards. It would be absolutely preposterous.

Vernon Coaker: My hon. Friend underlines my point. I consider it ridiculous that the Bill allows consultation to take place after an order. There should be a requirement that, at the very least, it should take place beforehand, and those whom it is appropriate to consult should be listed. He is also right to draw attention to the problems caused by the Building Schools for the Future fiasco.

Pat Glass: Does my hon. Friend agree that the pattern of special educational needs in this country is changing fast, particularly at the more severe and complex end of the spectrum? The pattern of attendance at special schools is completely different from that of seven years ago. If we allow special schools to become academies and to remain almost the same for seven years, we shall risk creating a special school system that will be unable to cope with the changing pattern of need.

Vernon Coaker: I was going to make the same point, but it has been very well made by my hon. Friend, who brings her own expertise, knowledge and experience to the debate. Her valuable point is now on the record, and no doubt the Minister of State, Department for Education, the hon. Member for Brent Central (Sarah Teather) will respond to it.

Mr Gibb: I am grateful to the shadow Minister for giving way again; he is being very generous. He mentioned the insertion in the House of Lords of part 4 of the 1996 Act, which requires an academy to accept a child with special educational needs. His party could have introduced that measure, but did not do so. It is this Bill that is making the change in the law relating to children with special needs.

Vernon Coaker: Changes in policy always improve as they go through Parliament, particularly when, as was the case in the House of Lords, amendment is possible. Now a hugely important Bill is being dealt with on the Floor of the House of Commons, but unless something remarkable happens, no amendments will be made. Members, not only Labour Members but Members on the Government Benches, may well propose equally important amendments to the Bill as it stands, but it will not be possible for them to be accepted.

We have our ideological differences and our views about what is right and what is wrong about the academies programme, but—I know I am repeating myself—although four or five important points have been made about academies and consultation, unless Members wish to make problems for themselves, it will not be possible for the Bill in its current form to be amended. The Minister mentioned one amendment that was made in the House of Lords, and other good amendments were made there but, notwithstanding what we may feel about special schools becoming academies, no amendments can be made in this place to improve the position.

The ability of special schools to become academies is not only highly problematic, but very dangerous to their status as a whole local authority resource. At present, local authority-maintained special schools play a critical role in the provision of support for pupils whose circumstances mean that attendance at a mainstream school is not appropriate. In that respect, special schools are a key feature of a genuinely inclusive education system that seeks to provide additional support on the basis of objective assessments of pupils' needs, and of the settings in which those needs might best be met. We all accept that not all pupils can function effectively and access the most appropriate support in a mainstream setting. Maintained special schools are settings managed and administered directly by local authorities and they are in place for the benefit of all local pupils. In that respect, they demonstrate the value of a local authority-provided, commonly accessible educational resource upon which all settings can draw when necessary. The ability of local authorities to act in this way in respect of special schools means that additional support for pupils can be delivered on the basis of both a comprehensive and coherent assessment of local needs and best value for money. The Minister needs to address some of the concerns on this matter, and must explain to us how this coherence of provision will be maintained when special schools become academies.

Chris Leslie (Nottingham East) (Lab/Co-op): As a former director of a local authority research organisation before I was elected to my hon. Friend's neighbouring

[Chris Leslie]

constituency, I spent a lot of time looking at the Conservatives' plans for localism and decentralisation to local government. Does he agree that it is slightly contradictory that on the one hand the Conservatives claim to believe in such devolution and yet, on the other, fail to grasp that at the strategic level for certain key issues a local authority is the best placed point at which to make these key decisions? Does he also agree that there is a lack of attention to the important role that local democratic authorities can play here?

Vernon Coaker: I agree absolutely, and that point goes to the heart of both this amendment and a number of further amendments to other clauses throughout the Bill. I cannot believe that a significant number of Members on the Government Benches are not having serious concerns expressed to them by their local authorities about decisions on school provision and places, particularly in respect of pupils with special educational needs, being taken out of their hands and being determined instead by the Secretary of State. That is a serious flaw in the Bill, and we will try to amend it.

Given the clear advantages of the current system of provision in respect of special schools, it is not possible to identify any benefits to pupils, teachers, head teachers or members of the wider school work force that would be generated by allowing special schools to acquire academy status. In addition to the issues associated with academy status for all schools, allowing special schools to operate beyond the control of local authorities would mean that the ability of local authorities to incorporate them into their wider strategies for SEN provision would be undermined. A special school with academy status would not be under an obligation to have regard to the wider strategy in terms of the nature and scope of its provision and would be able to act in ways inconsistent with the strategy's key provisions. There are no provisions in the Bill that would prevent special schools from charging for placements at their school—I shall want to make a particular point about that with reference to a specific subsection. There is also no link with the other aspect of the coalition Government's proposals: to take the assessment of special needs away from local authorities and give it to an independent body.

Some local authorities have a mixture of provision, in both special schools and mainstream schools with specialist units co-located in the school or on the school site. What are the Government saying would happen to them? How would that work? There is no information in the Bill about the right of a local authority to withdraw such provision from a school if it seeks to become an academy. If there is specialist provision for special needs within a mainstream school and that is onsite—it is co-located—what will happen? Will they be treated separately? If a school were to submit an application on its own, would that be taken as meaning that the onsite provision would also convert to academy status? What would happen if the pupils concerned were incorporated into, and were working in, mainstream classes? All these issues need to be addressed. I think all Members agree that our special schools do an incredibly important job in our society and make a huge contribution to education for parents and families in some of the most of difficult circumstances, but I also think that this move to allow special schools to take up academy status is part of a headlong rush.

2.45 pm

I also ask the Minister: where is the evidence? As the explanatory notes to the Bill make clear, the benefits section of the impact assessment assumes that there will be 200 new academies each year but that they will all be secondaries. There is no evidence as to the potential impact on primary or special academies. We will come to primary academies when we deal with the next amendment, but how is it possible for Parliament to determine that allowing special schools to convert to academies is the right way forward when there is no evidence in the impact assessment? Even if it is flimsy evidence or evidence that we disagree with, would not the impact assessment usually address and deal with it? Why does the Government's own impact assessment not address the issue of primaries or special schools, and why does the limited evidence in the Government's own equalities impact assessment, which deals with SEN, state:

"It is not possible to say with certainty from table 6"—

I will not bore the Committee with table 6—

"which group of schools serve SEN pupils better because by definition we cannot know their individual circumstances and challenges. However, the outcomes for pupils with SEN are at least in line with what we might expect when compared to similar schools"?

It is hardly a ringing endorsement of the headlong rush to academy status for the assessment to say just

"at least in line with",

rather than that academy status for pupils with SEN has resulted in a huge surge in attainment.

Why are we being asked to proceed in this manner? The Minister's Government talk about evidence-based policy making; her Government say we are entering a new politics, which is about not ideologically driven policy making, but policy making that is based on evidence. Where is the evidence, apart from some head teachers of some special schools saying, for perfectly understandable and laudable reasons, that they think it would be better if they were special school academies? Where is the evidence that this is the right policy? Where can I and other hon. Members find that evidence?

Can the Minister also explain why pupil referral units—or short-stay schools as they are now called—are not included in the Bill? I suspect there must have been a debate about whether they should have been included; otherwise it would have been a mistake. From what I know about her ministerial colleague, the hon. Member for Bognor Regis and Littlehampton, it will not have been a mistake, so there has obviously been a debate about this. Why are not pupil referral units—or short-stay schools—included in the Bill? I guess that the reason is because there is so much potential for a disjointed system of provision that a little more work needs to be done. If so, why is that true for short-stay schools but not for special schools? What criteria have been used to determine that pupil referral units were inappropriate for inclusion in the Bill, but special schools should be included?

I have been speaking for a long time, but I took a lot of interventions. There are huge questions. How is the funding going to work? Where is the funding coming

from for those schools? What will the impact on special schools be if two or three special schools in a local authority opt out? What will the implications be for a local authority's special needs provision? What area will this cover? What will the requirements be in terms of schools liaising with other schools in the district? Will it be possible for parents in an area to set up a free school that is a special school academy? I do not know what the technical term for that might be; perhaps it would be called a special-school, free-school academy. Is that a possibility, or would different criteria be applied to that? What criteria would there be if parents in an area decided that they wished to set up a special school as an academy? How does that relate to the free school provisions in this Bill?

Lastly, will the Minister assure us on the arrangements for charging? She will know that clause 1(9) seeks to ensure that no charge is made by academies in respect of "admission" or "attendance". However, clause 1(9)(b) says that this also applies

"(subject to any exceptions specified in the terms)"—

to—

" education provided at the school."

Can she reassure us about what will happen to the expertise, knowledge and information that many other schools access at the moment to support their own provision when a school becomes a special school academy? Will she categorically state that nothing in clause 1(9)(b) will allow a special school academy to start charging, in any sense, for any provision it makes for any other school within its area?

This is a hugely important point. To be fair, I do not think that the Minister would want to see such charging, but what will happen if a private company establishes a special school academy or if, two years down the road, a special school academy is providing teachers or support to a school? I am talking not about extras, but about what some special schools do. Their teachers go to work in other schools to help them, particularly in respect of some lower incidence special needs. These teachers use their expertise with children with profound difficulties to work with children with lower incidence special needs. Can she say whether it is absolutely the case that in no circumstances will any special school academy charge, in any way, for any service provided to another school that all of us would regard as mainstream provision?

I have begged the indulgence of the Committee because I have taken a lot of interventions. I hope that I have made it clear that I know that each and every one of us in this House supports special schools, and the fabulous work that teachers do in those schools and their fabulous co-operation and liaison with parents in those schools.

Chris Skidmore *rose—*

Vernon Coaker: I was trying to finish, but I will give way.

Chris Skidmore: The hon. Gentleman has rightly praised the work of special schools. If he is such a fan of them, why did 9,000 special school places and 160 special schools close under the previous Government? He and I are not special school teachers. We are not experts in this field, but if we were, I would hope that the Government would give us the freedom to set up schools and teach in a way that we know we are able to teach as professionals. I hope that he agrees with that statement.

Vernon Coaker: If I were going to make a party political point, I would go away now to find out how many special schools closed under the previous Conservative Government. May I just say to the hon. Gentleman that the policy objective, which I thought had cross-party support, was to include as many young people as possible in mainstream education? If that is a policy objective, clearly some special schools will close and some special school places will not be available because we will have decided that we can provide perfectly properly for those young people in a mainstream setting. As one of his colleagues said, the clear point is that this has to be a matter on which parents choose. However, the hon. Gentleman did not say that, did he? His question should have been whether I am certain that every parent has had the free choice that they should have had. It should not have been the party political point that he tried to make about the number of special school places that went.

I say to the hon. Gentleman that every parent should have a proper choice about what provision is best for their child—be it a special school or a mainstream school. Alongside that, it is a laudable and absolutely correct policy objective to ensure that as far as possible—if this provision can be made for them—young people, whatever their difficulty, should be provided for and educated in a mainstream school. There are examples of brilliant education provision in mainstream education for young people with some of the most difficult learning problems. Unfortunately, for some that provision cannot be made and provision is instead made for them in special schools. He has doubtless seen in his constituency, as I have seen in mine, the brilliance of the provision that is then made for them. I say to him again that the question is about parental choice; it is not about trying to make a party political point about the number of places.

Pat Glass: Does my hon. Friend agree that we are dealing with one of the educational myths? Special schools may have closed under the previous Government, but in fact the number of special school places increased. Where special schools did close it was because they were simply not good enough, and they were replaced with excellent special schools or excellent provision in mainstream education.

Vernon Coaker: I totally agree with that.

This has been an excellent debate. May I finish by saying that I think all Members from across the House would agree that when we debate special education, not just special educational needs, and the issue of special schools, we do not pay sufficient tribute to the work of the teachers in special schools? That is the case notwithstanding our difference about whether special schools should become academies. We profoundly disagree with that approach, for some of the reasons that I have set out. It is a leap in the dark and we have no idea where it will end up. However, at least we have had the opportunity to praise special schools, to examine their work and to try to understand this issue. No doubt, the Minister will try, in her response, to allay the Committee's fears a little more about what this will mean for special schools.

Mr David Ward (Bradford East) (LD): Just to reinforce an earlier point, may I say that I closed 12 special schools as the relevant education portfolio holder and

[Mr David Ward]

that many of those schools were an abomination? However, the process also included much more inclusion in mainstream schools and the creation of six brand-new schools, co-located, which was a great positive. That could not have been done without taking a strategic approach across the whole district and that would not have been possible if there had been independent schools within that sector.

Vernon Coaker: I thank the hon. Gentleman for that point, which relates to the one that I have made. Where is the strategic direction coming from, given the bypassing of the local authority? He will know that the Liberal Democrats' election manifesto showed that they understood very well that that was a real issue for them. That is why they tried to marry up the issue of the greater freedom for schools with ensuring that the strategic oversight of that was very much incorporated within the local authority framework and was not, in essence, delegated to the Secretary of State and centralised. That is a huge flaw in this model for academies.

Mr Buckland: I am grateful to the hon. Member for Gedling (Vernon Coaker), the shadow Minister, for saying some nice words about me, although I do not know whether I deserve them. I just happened to fall into this subject by being interested in it because of my family concern and, as a result of that interest, I perhaps have slightly more knowledge about it than most. However, I am not an expert; I am like any other parent who is interested in this subject and I am very passionate, as many parents become about the education of their children.

I must confess, however, to having been somewhat puzzled in the first instance, and then somewhat disappointed by this amendment. I had expected something more nuanced, given the debate that took place in the other place. I was crestfallen to see that the approach taken by Baroness Royall, which was that, in effect, special schools should be left out of the equation altogether, is being followed in this House. Some points have already been covered by my hon. Friends in interventions on the shadow Minister, so I shall not reiterate them in full. I simply ask: why exclude special schools from the opportunity that this Bill provides, given that other schools are to be given that choice? This is not mandatory—nobody is being forced to do anything; it is a matter for the individual school to choose.

3 pm

Perhaps we should pause to remind ourselves of the process that families undergo when going through the statementing process and finding the right school for their child. We know a lot about that very important process, which is difficult for the parents, but which guarantees statutory protection for that child. There has been a lot of argument about how we assess a particular young person or child for the purposes of statementing, and there are many concerns about the obvious difficulty of the local education authority acting as both the assessor and funder of places. I have been very encouraged by my party's policy of divorcing and dividing the assessment and provision processes. It is vital that we follow through on that to ensure that there is full confidence in the assessment system.

What will happen then? It is not always the case that a child with a full statement will go to a local special school. Very often, a child with acute needs will have to go to a school—often a privately funded school and perhaps in another part of the country—that has extremely specialised provision for children with acute needs. We can all think of examples of schools such as Prior's Court, which is just off junction 13 of the M4. That private school was set up 10 years ago to deal with children with acute needs on the autism spectrum, including autism and Asperger's syndrome. However, some of the children and young people who go there, including a constituent of mine, do so thanks to LEA funding.

Many results arise from local authority funding and it is not always the case that children end up in a local special school. The issue is far more nuanced than that. I know that the hon. Gentleman appreciates that, given his experience as the Schools Minister. He understands that the amendment ignores all the subtleties and individual cases that result in a plethora of provision across the country for children and young people with SEN.

Had the clause reached the House unamended—I remind the House that the unamended clause concerned merely the varying needs of children—I would be happy to support the hon. Gentleman's amendment, but we have moved on considerably from that. The argument that was advanced in the other place by his colleague Baroness Royall was rightly rejected by that House, and a far more considered set of amendments were debated and either accepted by the Government or voted on by that House. I was delighted to see such amendments to clauses 6 to 9.

The funding issue that was properly raised by Members of the other place has been addressed and we now have the all-important guarantee—the incorporation of part IV of the Education Act 1996—that will put children with SEN on exactly the same footing whether they are in a maintained school or in an academy. That was an important concern for many people on both sides of the House and outside it, and it has been addressed, but we would lose that gain if the amendment were accepted; indeed, we would lose the whole shooting match.

The amendment not only ignores the nuances of the situation, but takes a blunderbuss approach. I appreciate that Labour opposes the Bill in principle and I understand why—the reasons have been well elucidated by the hon. Gentleman and his colleagues both on Second Reading and today. Putting that to one side, however, surely the function of tabling amendments is to try to make legislation better. I am afraid that the amendment fails that test spectacularly: its crude and generalist approach ignores all the points that I know the hon. Gentleman understands about the infinitesimal differences involved and the variety that exists in the provision of special education. It would exclude special schools from going down the academy route if they so wished.

Dr John Pugh (Southport) (LD): The hon. Gentleman is making an extremely thoughtful contribution and I am certainly impressed by it, but it is unfair to suggest that the hon. Member for Gedling (Vernon Coaker) provided no argument for keeping special schools out of the equation. One such argument was that the elimination of special schools from the local authority network would have a more disruptive effect than the elimination

of an ordinary primary or secondary school because special schools are well integrated into the overall local authority provision and mission regarding special education.

Mr Buckland: I am grateful to my hon. Friend for that intervention. We have dealt, in interventions, with low-incidence needs and I agree with the points that the hon. Gentleman made about that. The key point is about funding and we all felt that the Bill's original draft did not deal with that properly, but it is now clearly set out.

A second concern of mine, which I expressed on Second Reading, is not so much about the process by which statements appear but about their enforcement. I made some observations in that debate about the need for more detail as to how that will be dealt with. How would a parent who was concerned that a statement was not being carried out or enforced by a school take their complaint further? I understand that complaints to the Secretary of State about the lack of enforcement of a statement in a special school will be dealt with by the Young People's Learning Agency. I welcome that, but I would want to be satisfied that the YPLA personnel who dealt with those complaints would have adequate training to understand the sometimes labyrinthine process involved in enforcing SEN statements. I would also want the processes to be very clear and to be spelt out to the parents of children with SEN at the outset. I am not going to stray off the point, Mr Chope, but I want briefly to mention amendment 72, which was proposed by the hon. Member for North West Durham (Pat Glass)—

The Temporary Chair (Christopher Chope): Order. It is not in order to refer to amendments that have not been selected. Will the hon. Gentleman confine his remarks to this amendment? The issue before us is whether special educational needs should be included within academies or not.

Mr Buckland: I am grateful for that guidance, but what I was seeking to explain is that there are some concerns about the process of enforcing SEN statements, which is relevant to the debate about linking special schools to the current network in terms of how academies will work. There are concerns about academies not being part of the LEA system and framework, but those matters could be dealt with by way of a clarification of those processes. I am sure that the Government are listening to what we are saying.

Mr Graham Stuart (Beverley and Holderness) (Con) *rose—*

Glenda Jackson (Hampstead and Kilburn) (Lab) *rose—*

Mr Buckland: I shall give way to my hon. Friend.

Mr Stuart: My hon. Friend makes a good point regarding the structure of schools. There is a feeling that the most articulate or perhaps pushy parents are best able to get their child statemented in the first place and that they are also in the best position, if that statement is not properly enforced by the school, to put pressure on the school and the local authority. There is legitimate concern that the further away lies the authority that might be able to put pressure on the school, other than direct pressure from the parent, the more likely it is that that inequality will be exacerbated. It is important that Ministers should reassure us that we will have an effective and equitable system that will ensure that children are treated equally and that their statements will be honoured.

Mr Buckland: I am grateful for those comments. Now I shall give way to the hon. Lady.

Glenda Jackson: The hon. Gentleman talked about the local authority, but the special needs schools in my constituency have catchment areas for virtually the whole of London, so they are engaged with more than one local authority. We simply cannot discard the opinions of parents outside the local authority area in which the relevant special needs school is based.

Furthermore, the hon. Gentleman bases his argument on there being no change to special educational needs, but my fear is that if the Bill takes off, mainstream schools will be able simply to exclude special educational needs pupils, and there will be a knock-on effect for those special educational needs schools that prioritise those children.

Mr Buckland: The hon. Lady makes a number of interesting points. First, I agree about the wider community. Her well-made point about consultation reinforces my point about the complexity of provision, whereby a child in borough A will only be able to go to a school in borough B, which has the acute service—for want of a better phrase.

Secondly, the hon. Lady made a more general point about the accountability of the exclusions process, and I imagine that she would want the appeals process—

The Temporary Chair: Order. The accountability of the exclusions process does not relate to the amendment. The hon. Gentleman must get back to the content of the amendment.

Mr Buckland: I was only trying to address the hon. Lady's intervention, which I had taken—

The Temporary Chair: Order. The hon. Gentleman should not be led astray by the hon. Lady. He should respond to the need to concentrate his remarks on the amendment, otherwise this debate will go on into the early hours of the morning.

Mr Buckland: Very well. I have been led astray by the hon. Lady's film persona on many occasions, and in a very positive way, but I accept what you say, Mr Chope, and I shall return to the amendment.

I do not share the concern that, when it comes to children and young people in special education, the Bill will result in a "them and us" situation. In fact, to accept the amendment would be to create just such situation. If both Houses pass the Bill and we allow schools the opportunity to go down this exciting avenue, we must as a matter of principle allow all types of school to enjoy that potential opportunity, and it would be wholly wrong and discriminatory to exclude special schools from that process.

Ian Mearns (Gateshead) (Lab): For a number of years, I was the chair of the board of governors in a special school that dealt with the educational needs of

[Ian Mearns]

children who were then classified as having moderate learning difficulties. The classifications were of the time. As the chair, I had to go through a process whereby the local authority decided that it would be more appropriate to close the school, because the range of provision for the children was inappropriate for the time in which we were living. If each special school in an area becomes an academy and independent of local authority concern, is there not a danger that special school arrangements and special educational arrangements will be maintained in aspic for ever?

Mr Buckland: That is unfair. I acknowledge and bow to the hon. Gentleman's experience, but he underestimates where we are with special education. I am sure that he will agree that head teachers and staff in special schools always look at ways of improving their provision, and reinvent and adapt it to the new children who enter their schools year on year. I find special schools in the modern era very receptive to change. They want to understand and learn from their experiences, and they want to learn about new diagnoses, which is an area of constant change. In autism, for example, the huge increase in the number of diagnoses means that there is an increased demand for special education, so I do not share the hon. Gentleman's pessimism or his vision of special schools wanting to remain in a golden age and refusing to move with the times.

Damian Collins: My hon. Friend makes a very compelling case for maintaining the option of academy status for special schools. Does he agree that one will struggle to find a school that is more engaged with the parents and community that it serves than a special school? Highview special school in my constituency is one such example, but those schools often feel under pressure because of the policies that previous Governments pursued. Such schools have to justify how they offer something that a mainstream school cannot, so they are very engaged with the community that they serve, and they would go down the academy route only if they honestly believed that it was best for their children.

3.15 pm

Mr Buckland: My hon. Friend makes a proper point. In the borough of Swindon, which I partially represent, we are lucky to be served by a number of excellent special schools, such as the Chalet school, and Uplands school in Brimble Hill. I shall not give out the entire list, but the schools that I have not mentioned know that I am thinking of them as well. As their Member of Parliament, I would not presume to say to their head teachers and governors, "Look, you must go down this route offered by the Academies Act." That would be utterly wrong and wholly out of kilter with the spirit of the legislation. It will be up to those schools, if they so choose, to take that route to academy status, and I make no apology for repeating the point that this legislation is all about giving schools that chance, rather than issuing some diktat from the centre, whereby schools have to follow a course, however unwillingly.

I am disappointed by the amendment, which I oppose. I do not mean this pejoratively against the hon. Member for Gedling, but it fails to respect the position of special schools, and it does not acknowledge their great potential or the great opportunities that the Bill presents to schools—in my constituency and, indeed, his—to flourish and thrive in the years ahead. I am sure that the Government will address the many concerns that Members from all parts of the House share about the rights of parents, and we will all continue to look very carefully at the detail on the rights of aggrieved parents.

Vernon Coaker: The hon. Gentleman says, "I am sure that the Government will address the concerns expressed in this Committee." The Government should ensure that they address some concerns that are outlined in the Chamber, but does he not think that others are so fundamental that they need to be included in a Bill and given legislative force?

Mr Buckland: There is a fundamental point, and I shall not shy away from it. I would submit—sorry, the lawyer is coming out in me—that, when it comes to a timetable for the resolution of any disputes, the new model agreement on admissions should be clarified even further. I am sure that there is scope for looking at the detail, but it does not necessarily mean that such detail has to be in the Bill. If we are going to go down this road, let us ensure that the contract—the agreements—are as watertight, as accessible and as understandable as possible for parents. I have concerns that many Members share, but it does not mean that we need to include them in the Bill. In fact, to take the hon. Gentleman's logic to its conclusion, I note that his amendment seeks to make the Bill even less prescriptive. He might think it an artificial point, but on his logic I am entitled to make it, because, by seeking to sweep away particular clauses that have been included as a result of much deliberation, he is in effect negating his own argument. With that, I draw my remarks to a close.

Barry Gardiner: I am pleased to follow the courteous exchange between the hon. Member for South Swindon (Mr Buckland) and my hon. Friend the shadow Minister.

I have a fundamental philosophical problem with the amendment. Earlier, when giving advice to Members, Mr Chope, you pointed out that the amendment was about whether special schools should be included in the academies programme. I oppose this reform because, unlike the previous system, which tried to address disadvantage and underperformance by taking money from outside the system and ensuring that it was targeted at underperforming schools and children who were not doing so well, and putting innovation into the system to see if that would make improvements, the Bill looks to take money from within the system, mainly from children who are disadvantaged, and give it to children who are, on the whole, better advantaged.

The amendment relates to special schools, which are specifically for children with greater disadvantage, so it goes against the thrust of why Labour Members oppose the Bill as a whole. I believe that there is tension among Labour Members that needs to be resolved. That can be done in the way that my hon. Friend the shadow Minister outlined in relation to the arrangements between special schools and local authorities. It goes to the heart of funding and co-ordination.

I outlined in an earlier intervention the very detailed and complex mesh of arrangements that have pertained in my borough between mainstream schools—not special

schools—that were part of the Building Schools for the Future programme, that were seeking, as part of that programme, to divide up, in a co-ordinated way between themselves, the different elements of special educational needs that needed to be addressed: autism at one school, learning difficulties at another, challenging behaviour at another. At the core of that was the amalgamation of Hay Lane and Grove Park schools, which were for children who simply could not be accommodated within the mainstream.

That is an incredibly complex set of arrangements between a number of schools, some of which might, under the provisions of this Bill, choose to become academies, and some of which, under the same provisions, would not be able to become academies because they are not, at present, outstanding schools. The local authority will be unable to co-ordinate the system as a special school goes off and becomes an academy, and the funding that is drawn off by the academies will reduce the capacity of the centre. I am reminded of the W. B. Yeats poem about the widening gyre—the centre will not be able to hold. We will lose the ability of central provision through the local authority to co-ordinate the needs of all children with special needs—those who need to be in mainstream schools and those who need to be in special schools. That is the fundamental problem. However, we should not look at our opposition to this clause about special educational needs in the same light as our opposition to the Bill as a whole because there is a fundamental philosophical difference between them.

The Minister of State, Department for Education (Sarah Teather): It is a great pleasure to be taking part in the debate on this Bill from the Front Bench. As the hon. Member for Gedling (Vernon Coaker) said, it is the first opportunity I have had to do so. I am grateful for his warm words at the outset. I recall the first Bill that I debated in opposition. I remember looking at the Minister struggling with her papers and thinking, my goodness, what an awful lot of things she needs to know. It does seem very different from this side of the Dispatch Box. The hon. Gentleman said that all parties in the House are united by a common desire to improve educational attainment. I welcome that. It is important to begin from that perspective and to recognise that our motives are common.

I listened carefully to what the hon. Gentleman said in his opening speech, which covered many different areas and was almost a re-run of some of the issues that were covered on Second Reading. My understanding of the nub of his argument is that his tabling of the amendment relates to his general objection to the Bill rather than a specific objection to special schools. However, I will try to deal with the points that he raised on special schools in a moment.

It is not clear to me why this policy is any different from that followed by the hon. Gentleman's Government. If we believe it is a good thing to have freedom for schools, particularly for those that are struggling, it is not obvious to me why we would then deny those freedoms to other schools that are already doing well, particularly as the Secretary of State has made it clear that he expects outstanding schools that become academies to partner a weaker school and to share their expertise. That can offer an opportunity to provide the kind of partnership that I think the hon. Gentleman probably agrees with.

As the hon. Gentleman said, amendment 28 would prevent special schools from converting to academies. That was the previous Government's policy. We think it right that special schools should have access to the same opportunities and freedoms that we are giving to mainstream schools. Indeed, many special schools want that freedom: more than 50 have registered an interest in becoming an academy. *[Interruption.]* The shadow Minister can find that detail on the Department's website.

Barry Gardiner: Can the hon. Lady clarify that remark? She says that those schools have expressed an interest in becoming an academy. Is that strictly accurate, or have they rather expressed an interest in further information about the process of becoming an academy?

Sarah Teather: I think that is semantics.

Barry Gardiner: Absolutely not.

Sarah Teather: Okay, I agree—I accept the hon. Gentleman's point. Indeed, they have expressed an interest in obtaining more information about becoming an academy.

Vernon Coaker: This is an extremely important point; my hon. Friend the Member for Brent North (Barry Gardiner) got in just before I could. The Government are talking about expressions of interest from people clicking a button to obtain information. Frankly, if I were head of a school, I would have clicked the button as well to have a look at what this really means and what the Government are really saying. The Government are using the fact that schools have done that—whether it be special schools, primary schools, outstanding schools or any other schools—and saying that clicking a button is almost the same as expressing an interest in becoming an academy. In fact, people are actually looking to obtain information. There is a real difference. I am glad—

The Temporary Chair: Order. Let me stop the hon. Gentleman there. He has the right to reply to the debate, and if we are to bring it to a reasonably early conclusion, it is important that interventions are kept brief.

Sarah Teather: These schools have expressed an interest in finding out more information. We have never said that they have applied to become academies. It is important to make that clear.

Dan Rogerson: I am struck by the fact that certain hon. Members, on Second Reading—I think we will hear this again during our deliberations in Committee—said that this is a fundamental and huge shift and that the Government are seeking to push all schools down a particular route. The Minister is now saying that perhaps many of them are not interested in this and just want to find out a bit more about it. Hon. Members cannot have it both ways—either it is a massive shift or it will be a case of a few schools exploring it at this point.

Sarah Teather: My hon. Friend makes a good point. A lot of straw men have been built up in order to knock them down.

[Sarah Teather]

If we think that it is a good thing for special schools to have access to freedoms to run their school in the way that is best for the children in their care, I cannot see why we would say that they should not do that. A prime example is that academies will have flexibility around the school day and how they organise the school calendar. I have found that many parents of disabled children and people who work with disabled children say that the most difficult period of the year is the long summer holiday. If we can provide special schools with flexibility, they may or may not choose to rearrange their calendar so that they break up the terms and holidays in a different way and run the school day differently to lessen the pressures on parents. That seems a sensible thing to do.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): The hon. Lady is making a good case, but I struggle to understand why schools should have to apply for those freedoms. Why cannot the Bill simply give them to all schools?

3.30 pm

Sarah Teather: This is a permissive power and not all schools will choose that route. In response to the concerns of many of the hon. Gentleman's colleagues—I recognise that he was very much in favour of the academies programme when he was a Minister—I say that we are not forcing schools down that route.

Stephen Twigg: On a related point, I am unclear as to what the process will be for schools becoming academies under the new scheme. Say, for example, that 500 schools apply. The impact assessment seems to suggest that just 200 a year will be successful. On what basis will Ministers decide which schools become academies and which do not? Within that, will special schools have priority for the reasons that she has set out, or will they have a lower priority than secondary and primary schools?

The Temporary Chair: Order. May I point out that the Minister should not respond to that intervention, because it was totally of order?

Sarah Teather: I think one element of it was in order, and I shall respond to it because I am keen to respond as best I can despite this being my first Bill. The hon. Gentleman asked about the priority that will be given to special schools. I was about to say that we are treating special schools in a different way from others, which I hope will reassure some Members who have concerns. The process will be longer and slower, and we do not expect any special schools to convert to academies before 2011.

The hon. Member for Gedling asked a number of perfectly good questions, and I accept that more work needs to be done on the matter. That is precisely why the Secretary of State has set up an advisory group to work with head teachers from special schools and mainstream schools with special units, so that we can work through the details of the points that have been made.

The point about partnering is important. We would expect any school that gets academy status to partner with another school. That could provide an opportunity to spread knowledge, particularly on special education. There are already many good examples of special schools that are doing that, but it is not always happening. We will strongly encourage special schools to use the training that their staff have, which is often lacking in mainstream settings, to ensure that we drive up standards for children with special educational needs. We expect partnering to provide that opportunity.

Mr Graham Stuart: The Minister talked about areas of detail that needed attention. One of the most critical of those to schools is, of course, the money involved. Can she give us any idea whether she expects special schools to see a bigger increase in their direct budget? Will local authorities spend a greater sum to support them than to support other schools? That takes us back to a point made by the hon. Member for Brent North (Barry Gardiner)—if the money at the centre is to be denuded, we would rather the most needy got their share first and the strongest and the best be the ones who have to struggle with the least money, not the other way around.

Sarah Teather: The point made by my hon. Friend, the Chair of the Select Committee on Education, and by the hon. Member for Brent North (Barry Gardiner) is precisely why the advisory group has been set up. It will work through the details. That is why we do not expect any special school to convert into an academy until next year. I recognise that funding issues need to be considered, because we are talking about a place-based funding system, and that we need to work through the issue of how special schools interact with other schools. We want to work with those on the ground who have expertise but who want the programme to happen.

Whatever disagreements we have about the wording that has been used and whether special schools have just "expressed an interest" or really will become academies, we should recognise that there are special school head teachers who want their schools to become academies. They feel that that freedom will enable them to do some of the things that they have already been doing as outstanding schools, but also to work better with the community and have flexibility to change how their schools are run, so that they can better provide for children in their area.

Glenda Jackson: Will the specialised and more detailed approach to special schools be consulted upon on a much wider horizon than merely head teachers and teachers? I say "merely" not because I dismiss them—we all acknowledge their remarkable work—but the Minister must be aware that although many parents of pupils in special schools find changes in those schools easy to accommodate and understand, many do not for a variety of reasons. It would be quite wrong to make changes to special schools without ensuring that every parent had been properly consulted in the most detailed way on those changes, which may affect their children. She must know that for some parents, such changes are very hard to understand.

Sarah Teather: I keep being intervened on before I have completed my paragraph, but—

Vernon Coaker: It comes with the job.

Sarah Teather: It does. I should probably be a bit firmer about completing a paragraph before taking interventions. I was going to say that the working group will also include local authority representatives. I will get the detail of who is to be on it. There are also special educational consortiums representing the interests of parents whose children have special educational needs. The point that the hon. Lady made, however, was about the process of consultation on conversion. We will have a separate discussion on that under a different group of amendments, so I will not respond to that point because it would be out of order in this debate.

The hon. Member for Gedling spoke about charging. I think he would recognise that maintained schools can already charge for certain services in some circumstances, particularly for adult education after hours. However, clause 1(9) specifically prohibits charging for daytime educational services. Other details will remain exactly as they are now.

The Chair of the Education Committee asked about statementing provisions. The local authority will remain responsible for ensuring that the provision set out in a statement is delivered, whether a child attends a maintained school or an academy. We will revise our guide for parents on special educational needs to set out the complaint mechanisms clearly. I should add that the Bill was amended in the other place to ensure that if a statement names an academy, the child will need to be placed in that academy. That is an improvement on the existing system.

The hon. Member for Gedling and my hon. Friend the Member for South Swindon (Mr Buckland) asked about low-incidence special educational needs. Again, the Bill was amended during its progress through the other place. I want to put on the record that the Government are committed to ensuring that children with sensory impairments receive the services that they require in both maintained and academy schools. We will monitor the impact that changes in the number of academies will have and ensure that adjustments are made to the funding of academies to ensure that that provision is dealt with. The advisory group will take that up.

We were asked why short-stay schools are not included in the Bill. We are looking at the possibility of academies offering alternative provision equivalent to that provided by short-stay schools, but the current legislation gives local authorities statutory responsibility for those.

My hon. Friend the Member for South Swindon asked wider questions on the statementing process. I remind him that we intend to introduce a Green Paper later in the year to deal with those, and I hope that he will be involved.

With those reassurances, I hope that the hon. Member for Gedling is willing to withdraw the amendment. We do not expect special schools to become academies on the same time frame as other schools, and there is a process to deal with the concerns that he rightly raises, and we will work through it. I hope that that gives him the reassurance he needs.

Vernon Coaker: I will be brief in responding to the Minister, who did not address one essential issue. Hon. Members will know the importance of the impact assessment and the equalities impact assessment, yet the Government have provided no evidence that special school academy status will make any difference. Essentially, therefore, we are being asked to take a leap in the dark.

The Minister then tried to reassure the Committee by saying, "You're quite right that a lot of things are still to be worked out, there are some real problems, and the Government aren't really sure how we do this. Don't worry that we're not sure; we're going to set up an advisory committee, which will look at funding, admissions, co-ordination, working with other schools and so on. Don't worry. It's not a problem."

Sarah Teather: The hon. Gentleman's Government recognised that providing freedom to schools will drive up standards. If he still believes that, I cannot see why he is saying that that freedom should not be applied to special schools. Why would they be treated as totally different from any other school? I do not accept that premise.

Vernon Coaker: There are two things to say in response to that. First, the previous Government had a managed programme for allowing schools academy freedoms. Secondly, the difference between that and what the Government propose is that if they are not careful, there will be a free-for-all. Freedoms will be extended to schools when the Government have not worked out what that means in respect of co-ordination, funding and a whole range of things, as I said, yet we are supposed to say that that does not matter.

The Minister was kind enough to say that I asked perfectly reasonable questions, but we are now invited to pass legislation when she does not have an answer to them other than to say, "We have set up a body to look at how we answer those questions." If she were in opposition, as she was until a few weeks ago, and if I had said what she just said, she would have reacted as I am reacting now. Frankly, she should be able to answer those questions.

The Chair of the Education Committee was right to ask what it means if special schools get academy freedoms, how much funding they will get and what the consequences are for the local authority and other schools in the area, but the Minister has no answer, because she does not know. If she knew she would provide an answer, but she does not know so she cannot. That is a very serious weakness.

On the 50 schools that registered an interest in academy status, the Minister said that the Government had never used the words "applied for academy status." I shall look very carefully at what the Education Secretary said on that and at how expressions of interest relate to applications. The Government are in a bit of a mess on that and on what they are using that to justify their measures.

Barry Gardiner: Does my hon. Friend agree that many schools will ask for further information because they feel that they have an obligation to present their boards of governors with the fullest information possible before taking a decision? It would be an abrogation of that duty were a head teacher not to push that button.

Vernon Coaker: I agree with my hon. Friend. The other weakness in the Minister's response is that it is very unclear what role, if any, the local authority will have in all this, and what the consequences will be for

[Vernon Coaker]

the overall co-ordination in an area. With respect to the Minister and to the Committee, I should like to test the opinion of the Committee on this amendment. I shall therefore not withdraw amendment 28.

The Committee divided: Ayes 226, Noes 319.

Division No. 37] **[3.45 pm**

AYES

Abbott, Ms Diane
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Beith, Sir Alan
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, Mr Russell
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Doyle, Gemma
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Mark Tami and Mr Dave Watts

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew

Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, Mr Gregory
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Coffey, Dr Thérèse
Collins, Damian
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Donaldson, rh Mr Jeffrey M.
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
George, Andrew
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, Simon
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Paice, Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
Whittaker, Craig

Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Zahawi, Nadhim

Tellers for the Noes:
Mr Shailesh Vara and Jeremy Wright

Question accordingly negatived.

The Temporary Chair (Mr Christopher Chope): Before we move to the next group of amendments, I must announce the result of the Division deferred from a previous day on the question relating to Use of the Chamber (United Kingdom Youth Parliament). The Ayes were 499, and the Noes were 21, so the Ayes have it.

[The Division list is published at the end of today's debates.]

Vernon Coaker: I beg to move amendment 32, page 1, line 21, at end insert—

'(5A) No Academy arrangement may be made under this section with a school that is exclusively a nursery or primary school, or both.'.

The Temporary Chair: With this it will be convenient to discuss amendment 48, in clause 3, page 3, line 15, at end insert—

'(3A) The governing body of a primary school is not eligible to apply under subsection (1).

(3B) Two years after Royal Assent, the following is substituted for subsection (3A)—

"( ) The governing body of a primary school which has fewer than five hundred registered pupils is not eligible to apply under subsection (1).

( ) The Secretary of State may by order amend this section to allow the governing body of a federation to apply, or the governing bodies of a number of schools to apply jointly, for an Academy order provided the total of primary-aged registered pupils in the federation, or group of schools, is five hundred or more."'.

Vernon Coaker: It is good to come to the second group of amendments. May I formally welcome the Minister of State, Department for Education, the hon. Member for Bognor Regis and Littlehampton (Mr Gibb), to his post, as I welcomed his fellow Minister, the hon. Member for Brent Central (Sarah Teather)? This is the first Bill that he is taking through the House as Minister with responsibility for schools, a post that I held. He and I have held each other's posts. In all seriousness and sincerity, I wish him well in his role. I think he has found in the past 24 hours, and will continue to find out in the next 24 hours, as his fellow Minister has done, that tabling amendments is one thing, but having all the answers is quite another. It is good to welcome others too.

We had a good and interesting debate on special schools and we come now to primary schools. I want to start by making a few general points and then move on to some specifics, which is the reverse of my approach in the previous debate. The amendment seeks to raise some of the key concerns felt by many, not just Opposition Members—I note amendment 48 in the name of the hon. Member for North Cornwall (Dan Rogerson)—about the rapid and precipitate conversion of hundreds of primary schools to academy status.

4 pm

Will the Minister tell us, as the Minister of State, the hon. Member for Brent Central, did with regard to special schools, the up-to-date number of primary schools that have expressed an interest in academy status and how many they expect to apply? Special schools are expected to convert to academy status by September 2011, and perhaps the Minister will say how many primary schools are expected to convert. It is not clear from the impact assessment exactly what that figure is. There is a figure of 200, but it is not clear how that breaks down into secondary schools and primary schools, or indeed others, with respect to 2010.

I will try to demonstrate that people's concerns are born, as we have already discussed, not necessarily out of any ideological objection to granting primary schools the kinds of freedoms that existing academies have, but out of practical consideration for the implications of academy status. Some of those concerns are present when considering all-through academies, but not usually present when considering those cases. As the Minister will know, because I signed off with the Secretary of State a number of all-through academies, the model of primary schools linking with secondary schools to form all-through academies was an innovative way forward. But all-through academies are a different case from stand-alone primary schools, or indeed even stand-alone infant and nursery schools. That is because many of the concerns stem from the relative size and community location of primary schools. It is for that reason that the amendment seeks to prevent primary schools from becoming academies.

Primary schools, by and large, serve their immediate local community. If a local school becomes an academy, parents could risk finding that there is a shift in its admissions policy or in the way in which it serves the local community. The primary school is much more of a local school than many secondary schools can claim to be, because they are, typically, the only school in a small rural village or in a particular area. They are much more of a neighbourhood school, however much secondary schools aim to be that.

In the previous debate, we expressed concern about the role that local authorities will not have under the Bill. Most local authorities will say that the schools most dependent on their advice and support are primary schools. The vast majority of primary schools are community schools, and they have not even had the experience that foundation schools will have had in managing the enormous range of responsibilities that come with academy status. How much will that cost? Where will that expertise come from? How will primary schools deal with that? How will a small primary school, with perhaps only a few pupils, be able to cope with some of the demands being made on them? Capacity is a very real issue. Most secondary schools already employ a range of staff who will be able to deal with the increased administrative requirements, but many primary schools have only a school secretary, who will doubtless be expected to deal with many of the issues and problems that come with academy status.

Mr Stewart Jackson (Peterborough) (Con): These are exactly the same arguments that were advanced by Labour during the discussion of grant-maintained schools, which were often supported by the local community

and perfectly able to exercise the powers and responsibilities involved. Indeed, many of them did so very successfully. Unfortunately, Labour is still in an ideological time warp and hostile to the idea that parents, governors and other professionals can have effective local control over their own schools.

Vernon Coaker: Who will have local control over whether a primary school in the hon. Gentleman's constituency becomes an academy? It will be the head teacher and the governing body, and it will then go to the Secretary of State for approval. There is nothing in the Bill to say that parents, the community, local people or even the local authority must be consulted. If the hon. Gentleman's point is that before a school changes its status or applies to become an academy it should have the support of all those people, I would agree with him in many respects. Certainly the academy model that we pursued—although it obviously related to secondary schools rather than to primary schools—was about trying to ensure that there was proper local support for the conversion.

One of the problems with the Bill is that it does not require the support of everyone in the local community for a school to convert to academy status. Indeed, an amendment tabled by one of the hon. Gentleman's colleagues tries to address that problem. When we talked about special schools, some hon. Members mentioned the need to ensure, and demonstrate, that local parents, the local authority and local people supported them, but that is not what the Bill would do.

I do not disagree with the hon. Gentleman. I am not ideologically opposed to academies—I approved a significant number of them, including all-through academies. In the last debate, we talked about the difference between the academy model presented in the Bill and the academy model that the previous Government pursued. As I said, I do not believe that people are motivated by anything other than a genuine desire to improve educational standards for children, but there is a difference of view about how to achieve that.

The hon. Gentleman makes a reasonable point, but how can local support be proved when all the Bill requires is the support of the head teacher and governing body, and others as appropriate?

Mr Jackson: The hon. Gentleman makes a fair point, but it would be perverse for any head teacher with the support of the governing body not to take into account the settled view of the local community, whether that was as a result of consultation directly with the governing body or others, or of the local authority, local charities or others. The idea that this is some kind of top-down approach to be forced on schools is untrue.

Vernon Coaker: In the spirit in which debate has been conducted in Committee today, I thank the hon. Gentleman for recognising that I was trying to be constructive in my response. He will have read the Bill and he will know that clause 5(1) does not specify who should be consulted by a school wishing to convert. It just says that it

"must consult such persons as they think appropriate."

Similarly, clause 5(3) states:

"The consultation may take place before or after an Academy order, or an application for an Academy order".

If the hon. Gentleman follows his point through to a logical conclusion, one might expect the Bill to list the parents, the local community and so on as parties which should be consulted and shown to be supportive of the academy bid, because that would strengthen the application and increase its potential for success. Similarly, one would have thought the Bill would require consultation to take place before the academy order was applied for. I agree that such consultation is necessary, and the hon. Gentleman's point was not unimportant, but the Bill does not do what he would wish it to do.

Sammy Wilson (East Antrim) (DUP): Does the hon. Gentleman not accept that, first, the Bill requires that there must be consultation and, secondly, that that consultation must be with "appropriate" people, so it is inconceivable that some of the stakeholders he mentioned—local people and parents and the local community—would not be deemed to be appropriate? Indeed, "appropriate" people, which is a general term, might be a far better description than a specific one which might not cover one particular group.

Vernon Coaker: Unusually, I do not agree with the hon. Gentleman, because a much tighter form of words in the Bill would ensure that we deliver exactly what he proposes. I believe that the Bill is so drafted because the Government think that the opposition from local authorities and local groups that always emerges to school reorganisation could hold up the progress of the Bill and the attempt to fast-track some schools to academy status. The lawyers will have said, "Put in 'they think appropriate', because if you start listing people and groups such as parents and community organisations, you will open yourself up, when trying to convert, to the possibility of legal challenges from parents and organisations saying they were not consulted when they should have been." To fast-track academies is a policy objective, and I think that Ministers, their officials and their lawyers will have said, "For goodness' sake, don't make a list, because it will be a hostage to fortune." Furthermore, I cannot understand why clause 5(3) includes the phrase

"or after an Academy order".

Mr Ward: The way around that would have been to specify certain obvious consultees and then to add the words "plus others deemed appropriate".

Vernon Coaker: I have tabled an amendment to that effect, as the hon. Gentleman will no doubt have noticed. Other than parents, local authorities are the key group that should be defined, but of course they have been missed out as well.

Mr Rob Wilson: The hon. Gentleman is making a strong case, but I would like him to clarify something. In the debate on the previous amendment, he said he did not want special educational needs schools included, and now he is saying he does not want primary schools included. In government, he wanted to limit the number of secondary schools that could become academies. It seems that he actually wants an old-style command-and-control system in schooling, rather than to allow local communities and parents to decide what they want. Can he clarify that for me?

Vernon Coaker: As I said at the beginning of the debate on the previous amendment, for which the hon. Gentleman was present, I want to see more academies. I have not said that there should not be any more academies. Indeed, many of the academies that will open in September—*[Interruption.]* A Tory Member is nodding because there is one in his constituency. Many of those that will open in September will be ones that I agreed with the previous Secretary of State. Sometimes, they were agreed in the face of quite difficult local circumstances. I do not have a problem with the expansion of academies; what I am saying—this is the thrust of the debate—is that the academy model in the Bill is completely different from the one pursued by the last Government. That is the choice that people have made: the Government are in power and they have come forward with what they believe is an appropriate model, which is to allow outstanding schools to fast-track to academy status, as well as including special schools and primary schools. What I am saying is that that means rushing headlong into something for which, as I will mention again in a minute, the Government have presented no evidence and which, in a way, will potentially mean riding roughshod over the wishes of local people and local authorities, when they should be playing a significant role in the organisation and provision of schooling in an area.

4.15 pm

Glenda Jackson: I rise in the light of the remarks made by the hon. Members for Peterborough (Mr Jackson) and for East Antrim (Sammy Wilson), both of whom were proselytising on the basis that it would be unthinkable for anybody engaged with a primary school not to consult automatically, at least with the parents. I realise that this is merely anecdotal, but there is a situation in my constituency where the board of governors of a grant-maintained school—or, the aspect of the school which is grant-maintained—wishes to pull the school down and build a brand-new one. No one has consulted the parents, who certainly do not want that to happen. I acknowledge that that example is merely anecdotal, but it underlines my underlying fear about the Bill: that if it does not say that parents must be consulted on such issues, we are essentially going to destroy state education.

Vernon Coaker: I agree with my hon. Friend's point about the need for parents to be consulted, which relates to what the hon. Member for Bradford East (Mr Ward) said about the phrase

"persons as they think appropriate"

not being sufficient. Instead, the Bill should list groups such as parents and the local authority. If the Government had done that, it would have strengthened the Bill and meant that many of the difficulties that some of us have with it would have been to some extent ameliorated.

Sammy Wilson: I have listened to the hon. Gentleman's explanation of why he objects to the catch-all phrase "appropriate persons", but is he really suggesting that if a school moved towards academy status, yet parents or another group of significant stakeholders had not been included in the consultation, which must take place according to the Bill, and people wished to challenge that decision in court, the court would say that the letter of the law had been applied, even though that group had been excluded from the consultation?

Vernon Coaker: I am not a lawyer, but one of the phrases that people often use is "for the avoidance of doubt". Given the magnitude of the decisions that could be entered into, I would have thought that, for the avoidance of doubt, it should not be beyond the wit of us all to list some of the groups that we think it should be essential to consult—local authorities, parents and so on—and then to have a phrase at the end such as "and others as the school governing body thinks appropriate".

Glenda Jackson: Briefly, it is hardly going to advance educational standards if a proposed academy cannot get up and educate because both the school and the Government are engaged in a judicial review, quite apart from the expense that such a review would create.

Vernon Coaker: I agree.

We have serious doubts about the capacity of primary schools, and about what the costs will be, who will be leading the process, how it will be managed and so on. There are also financial implications. I have been told of a primary school in the west midlands—I think that it was mentioned in the other place—that recently developed serious structural faults. The local authority found the money to put the problem right, with a final cost of around £1 million.

Another example of where the local authority often steps in is on the matter of fires on school premises. How would that work under academy status? The Department for Education advice states that it would expect schools that had become academies facing such problems to take out loans. How could a small school possibly afford to do that? What does the Minister imagine would happen in those circumstances? How would the repayments be made? Who would get the loan in the first place? How would that operate? Most primary schools rely on the local authority to pick up the costs of redundancies and employment tribunals, as well as the legal costs associated with challenges on accidents. The school would not necessarily be able to find the cost of the insurance to cover those things.

Again, the Department for Education's own website states that, for most schools, the cost of insurance will be between £60,000 and £100,000. The cost of purchasing legal and personal advice commercially needs to be taken into account. How would that work? What will happen with all that? Are we going to have another advisory committee to look at all those details, as we did with special schools, before we get a proper answer? The problem for primary schools is that all these are unanswered questions. Many primary schools are on holiday now, yet some of them are supposed to be opening in September as academies. How is that going to happen? What is going on?

A great deal of work has been done over the past few years, by others as well as the Government, on managing the process of transition from an early years setting into the first year of primary school. The review of the early years foundation stage announced by the Government over the last week or two will not, I trust, represent the reversal of much of that good work. The reality is that there are overlapping responsibilities between early years settings, the children's trusts—the abolition of which would cause great concern for Labour Members, but I know that Ministers are either considering or proceeding

with it—and a number of child care and early years settings sited with primary schools. How is that supposed to work? What happens with all of that—child care, nursery provision, early years provisions—in relation to primary schools? Will there be separate applications to convert separately? Do they stand alone? Will it work differently for a primary school, a nursery and an infant school? Again, I have seen no explanation of that. In many ways, I am concerned not so much about the ideology as the practicality. In the rush to get the Bill through, many practical issues have not been thought through and, frankly, Ministers do not have the answer to them.

Thousands of primary schools—some small, some big, some in rural areas—are involved, but where is the evidence for this change coming from? As I stressed in the debate on the last group of amendments, the crucial evidence that Governments often publish on their Bills is the equality impact assessments and the impact assessments. All members of this Committee will have seen and read those assessments, but there is not a word about primary schools in them—not a word. How, then, are we supposed to judge? This is supposed to be the evidence base for the Bill. Where is the evidence base for this Academies Bill, when there is nothing in it about primary schools? How can any hon. Member look at the evidence base and decide whether the Government's proposals are acceptable?

Conservative Members seem to think that the idea of primary schools becoming academies is great, but their new Government effectively said, "We do not believe that policy should be made without evidence," so where is the evidence?

Gavin Barwell *rose—*

Vernon Coaker: Let me finish the point, and then I will, of course, give way.

It is the same with the equality impact assessments. They relate to existing academies, which are all secondary schools, so there is nothing in them about primary schools. Yet this is supposed to be the evidence base for the Bill. Frankly—although I am going to say this gently to the Minister of State, Department for Education, the hon. Member for Bognor Regis and Littlehampton, as we get along—this is not good enough. For all of us to look at the evidence for or against this Bill and to analyse, discuss, debate or disagree with it, and to say what has been missed out of it or what should have been included in it, we require an evidence base—but there is no evidence in it. We are told that if conversion to academies goes ahead, the GCSE results will be 1.5% what might have been expected if the schools had not converted. What on earth has that got to do with primary schools? This is a very serious point and at some stage the Minister will have to answer it.

Mr Gibb *rose—*

Gavin Barwell *rose—*

Vernon Coaker: I will give way to the Minister in a moment, but to his hon. Friend first.

Gavin Barwell: The hon. Gentleman said that he had approved an all-through school in my constituency. Where was the evidence base for the primary section in that application?

Vernon Coaker: The evidence came from the local people, the local authority and local schools discussing with each other the best way forward for educational provision in their area. That was our academy model, not the model that the hon. Gentleman supports, whereby local authorities are completely missed out of the equation, and there is not even a statutory right to ensure that parents are consulted. It was sometimes difficult, but we ensured that local people and local authorities were involved in those decisions.

Mr Gibb: That is an opinion, not evidence. I take the hon. Gentleman's point about opinion, but the evidence is clearly set out in the impact assessment, headed "evidence base". It describes the huge success of the city technology colleges and their increasingly good academic results over the years since they were established. Cannot the shadow Minister extrapolate evidence from that to special schools and primary schools? That is what policy making is all about—taking the existing evidence and applying it to other forms of schooling.

Vernon Coaker: It is not for me to extrapolate, but for the Government to demonstrate through evidence. I am no longer in government: the Minister is. He, in his new role, should present the evidence. The Secretary of State signed off the impact assessment. If he wanted to do what the Minister claims, why did he not amend it? I am sure that he read it carefully, word for word. Why did he not notice that primary schools were not mentioned, go back to his officials and say, "We haven't mentioned primary schools in this. Do you know what? The shadow Minister will get up and say that, because it's in the Library notes—the House of Commons Library has noticed, too." I repeat that it is not for me to extrapolate.

Mr Gibb: The evidence base is the same one that the shadow Minister used when, as my hon. Friend the Member for Croydon Central (Gavin Barwell) said, he signed off all-through academies. Consulting local opinion is not evidence for the early years sections of all-through academies. The evidence that the hon. Gentleman looked at will have been the success of the academies movement as a whole. We have based our policy on that.

Vernon Coaker: The Minister has not set the evidence out. The impact assessments mention CTCs, but not primary schools. The Minister makes a good debating point when he says that CTCs have primary sections, and they are therefore covered. I think that if the Government could rewind the clock three, four or five weeks—whenever the assessments were prepared—the Minister would ensure that primary schools and special schools were included, particularly in the equality impact assessment.

Chris Skidmore: The hon. Gentleman talks about evidence, and we have that of GCSE performance. I am sure that he welcomes the performance of secondary schools that have become academies. For example, when Mossbourne academy was Hackney Downs school, 10% of pupils got five good GCSEs, but now more than 80% get five good GCSEs as a result of the school gaining academy freedoms. Primary schools have not yet had the opportunity to enjoy those freedoms, but we know that 40% of primary school pupils currently do not get the three R's at level 4, key stage 2 and that fewer

[Chris Skidmore]

than 50% of pupils in around 500 primary schools achieve the required standard in English and maths. Does the hon. Gentleman think that that is acceptable, or that those schools should have the same chance as Mossbourne to change?

Vernon Coaker: The dramatic rise in standards—the improvements in reading, writing and maths—in primary schools is significant. The hon. Gentleman asks whether we want higher standards and even faster progress. Of course we all do. However, the Government want to achieve that by allowing outstanding primary schools initially—we will find out how many shortly—to fast-track to academy status in September. If that is the Government's policy direction, where is the evidence to demonstrate that the results will be as he predicts? The whole point of a Bill's impact assessment, as the Chair of the Select Committee knows from his days as a member of that Committee, is to present evidence.

Chris Skidmore *rose—*

Vernon Coaker: I will give way again, but I want to make progress, otherwise, at 10 o'clock, everyone will say, "We've only done two sets amendments."

Chris Skidmore: The fact that nearly 300,000 pupils are not achieving level 4 in the three R's at key stage 2 is clearly not acceptable. Yes, we admit that standards have risen since 1997, but at level 4 they have stalled and begun to go backwards. Will the hon. Gentleman not admit that? During the next stage of the march, we need to think about freedoms. We need to think about giving teachers freedom to seek academy status if they wish, so that they can push forward as secondary school teachers have at Mossbourne school.

4.30 pm

Vernon Coaker: This is a Committee stage, but the hon. Gentleman has retreated into a Second Reading political statement. I was asking what evidence the Government had presented to Parliament—*[Interruption.]* It is not for me to present evidence. I am not the Government. I am asking the hon. Gentleman what evidence the Government have presented to persuade Parliament to accept the Bill. How have they demonstrated that primary academies would deliver what he wants? That is the issue. I do not agree with the proposal, so it is not for me to say what evidence there is in favour of it. The hon. Gentleman is a Back-Bench Member of the Government. He may progress further—I do not know—but his responsibility now is to defend the Government and to explain how Government policy will improve standards.

Mr Graham Stuart: The Minister makes a reasonable point about the quality of the evidence that the Govt should provide when presenting proposals, but I am struck by the way in which the Opposition have retreated. They are no longer telling the truth about the fact that, in 2005, the then Prime Minister said that all schools wanted these freedoms. The Government proposed a managed move, but the aim was to provide these freedoms everywhere.

It is as if the whole new Labour era is ending. The thaw is over, and we feel the cold ice of a monolithic centralised state system forming over us once more. Is that really the vision seen by the shadow Minister, of whom I have always had a high opinion? Is he really reverting to his Socialist Educational Association roots?

Vernon Coaker: Oh dear. Well, I mean, you know—

Mr Stuart: Yes, is the answer.

Vernon Coaker: It is never as simple as yes or no.

The hon. Gentleman and I have worked together a great deal over the last few years, and no doubt we will work together more over the next two or three years, or however many there may be. As I have made clear on a number of occasions, I have not said that I am opposed to academies. That would be hypocrisy of the highest order, given that I agreed to the establishment of a number of academies, and given that many of the academies that will open in September are academies to whose establishment I agreed.

I think it right to seek to increase the number of academies when that is appropriate, whether they are primary or secondary schools, although I prefer all-through academies. However, I do not think it right to fast-track outstanding schools to academy status, and to allow academy status to primary and special schools when there is no real evidence in favour of such action.

It is not a case of retreating in the direction of the Socialist Educational Association, many of whose members would oppose any academy. I do not oppose every or any academy. What I propose is a third way, which has been proposed by neither the Government nor the Socialist Educational Association but which, according to some famous politician, makes it possible to find a balance between two alternatives in order to move forward.

I want to ask the Minister a few more questions. What arrangements will there be for primary schools that are members of federations to apply for academy status, and what are the implications for each school? Can schools apply as a group, or must they apply individually? As I said, there are important questions to be asked about how academy status will work for nurseries, and about the arrangements for collaboration and funding. How will things be arranged between a local authority and a primary school if the authority has given large amounts of money to the school? How does the Minister expect small rural schools to become primary academies? What criteria will apply to them, as opposed to primary schools in the middle of cities?

Those are serious questions, and I know that the Minister will reflect on them seriously. However, as in the case of special schools, I find it slightly regrettable that we do not already know many of the answers. As I have said, the evidence base is fairly poor, given the magnitude of the decisions that we must make.

Dan Rogerson: May I welcome you to the Chair, Mr Evans, at this stage in the proceedings? Earlier, Mr Chope reminded us that it is out of order to refer to the decision about which amendments have been selected and which have not, so I will not reflect further on that and thereby risk being called out of order, except merely to say that I am delighted that amendment 48 in my name was selected.

The hon. Member for Gedling (Vernon Coaker) has set out the dangers he foresees in primary schools being allowed to follow the academy route, but he adds that he is none the less an advocate of the academy system and that he thinks it is a success. I come at this from a different angle: I think the jury is still out because the evidence is balanced as to whether the academy structure has made a substantial difference to results. We Liberal Democrats have not been entirely convinced, although some party members have advocated academies throughout the process. Other arguments can be put as to why schools that have been established as academies have been successful and we talked about some of them on Second Reading, so I will not rehearse them at length. If I were to do so, I am sure you would rule me out of order, Mr Evans, but there are arguments to do with leadership and the resources put into academies, for instance.

This is a permissive Bill. We will either allow schools to examine, and consider following, this route or we will not. From visiting schools in my constituency, it seems fairly clear that not many of them are interested in doing so. They do not see it as right for them. They are largely happy with their relationship with Cornwall council, their local authority. I welcome that, and I am sure it is also the case in many other parts of the country. I believe that local authorities have a role to play and they have often played a good role in the past. However, that has not always been the case, because there are undoubtedly places where the relationship has broken down and there have been failings. The fact that not many schools in my area wish to follow the academy route does not, however, strike me as necessarily an argument for saying that it should not be open to them.

I tabled amendment 48 in order to have a debate about primary schools. I am therefore pleased that we are having that debate, and I would like to add a number of questions to those already asked by the hon. Gentleman. He raised the important issue of federation. It is being explored in many rural areas—and, I imagine, increasingly in urban areas too. Federation is often controversial because people sometimes feel they are giving up some measure of control over their local school, but my experience of those federations that have been formed—there are three or four in my part of the world now—is that the governing bodies and communities can come together. They still have their own school in their community and it performs a vital function not only in terms of education but in many other ways as well, especially for rural village communities. Therefore, if these schools become part of something a bit bigger, it means they are able to support a full-time head—and to recruit one as well, which is increasingly an issue. Federation can be a crucial step, therefore.

There are questions, however, about what approach the Government should take to applications for federation and how they would be explored. There are also, perhaps, issues to do with capacity. I hope, therefore, that no primary school approaches this option lightly. If they are considering it, they should reflect on their own situation and what resources they will have to take advantage of any freedoms that arise. That is an important consideration.

There are questions to do with the monitoring of schools as well. I have discussed that briefly with the Minister outside the Chamber. There is a role for the Young People's Learning Agency in monitoring academies to ensure that they meet the criteria set out in the Bill. I hope that the Minister will be able to reassure us that if primary schools, in particular, are going to go down the academy route, they will have the capacity to be able to do that and to manage a relationship with a much larger number of schools. If primary schools are to take up that option, the number of schools involved will be much greater than has been the case up to now.

The idea of all-though schools, to which the hon. Member for Gedling referred, presents an exciting opportunity. One of these schools is coming to my constituency and, again, the trust and confidence of the local people has to be won; they have to feel that the change will protect what they may see as younger, vulnerable pupils in that bigger set-up. That argument has been won in one community and this may be a route that some take towards academy status.

As I said at the beginning of my remarks on the clause, I am not convinced that this is necessarily the best route for everybody. My hon. Friends, some of whom spoke on Second Reading, have made it clear that they have concerns about the model too.

Mr Stewart Jackson: The hon. Gentleman will doubtless concede that this is permissive legislation and, therefore, schools will not be the subject of draconian diktat. He will also know that the experience of grant-maintained schools was that the legislation allowed them to work closely with their local education authority on things such as procurement and purchasing, and that consortiums were often very successful in that respect. This Bill specifically does not preclude the involvement on a practical, day-to-day basis of the local education authority. In that respect, I am sure that he will be reassured.

Dan Rogerson: I am grateful to the hon. Gentleman for his intervention. We have served together on a number of Public Bill Committees, not always agreeing when we have debated issues. However, we can perhaps agree that the permissive nature of this Bill allows both of us to explore what is available to schools and communities in our constituencies. As I say, I remain to be convinced that this is necessarily the best route and that it offers as many benefits as some hon. Members, including him, are convinced it does. However, I believe that if the route is to be available to some schools in particular circumstances, we ought to explore the option, as this Bill does, of making it available to others. So I accept his point about this being a permissive Bill.

The hon. Gentleman also makes the point about schools continuing to work with the local authority. The Minister may wish to talk about the fact that schools that take up the option that the Bill extends to them could continue to explore buying back some services from the local authority, even though they may well have not wanted to have such a rigid relationship with it. Clearly, they could still have an engagement with it and may indeed wish to buy back some services from it. This debate has begun and we may be at risk of going back over issues that we covered when discussing the previous group.

Stephen Pound (Ealing North) (Lab): I welcome the hon. Gentleman to the sceptical wing of the coalition and respect his position. Yesterday morning, at Ealing

[Stephen Pound]

hospital, I welcomed my newest constituent, Noah White, weighing 6 lb 9 oz, to the constituency. When that child is ready to go to primary school, there will be no primary school place for him in the London borough of Ealing, given the present capacity. Does the hon. Gentleman agree that we should be looking to expand the educational estate, rather than overloading head teachers and governors with yet more crushing work and just changing the signs outside the schools?

Dan Rogerson: I am delighted to hear that the hon. Gentleman is such an assiduous constituency MP that he is there to greet every new arrival to it. It is a wonder that we have the benefit of his company in this place as often as we do, given that he is so hard-working and pays such attention to detail. However, it is slightly problematic for a Labour Member to talk about the overburdening of head teachers. I have spent time talking to them about the reams of paper that were generated and imposed upon them by this Department—under its various names—under the previous Government, so I can say that he is on fairly sticky ground. However, he is absolutely right to raise the point about providing places, and we need the flexibility to do that.

I shall draw my remarks to a close. Clearly, I have been addressing my remarks to the lead amendment, but I tabled the second amendment with the purpose of discussing the particular circumstances that pertain to primary schools. I hope that the Minister will respond both to the issues that I and the hon. Member for Gedling have raised.

4.45 pm

Gavin Barwell: First, I thank the hon. Member for Gedling (Vernon Coaker) for being so generous in his speeches on this amendment and the previous amendment in allowing people to intervene and ask him questions. I appreciate that.

The amendment is further evidence of the dichotomy of the Labour party's approach to education policy for primary and secondary schools. With capital, as has been discussed, the previous Government's Building Schools for the Future programme was concentrated purely on the secondary sector, whereas their policy on academies was to have them in deprived areas at secondary level but not at primary level, even though many issues of educational under-attainment stem from performance at primary level. The list on the Department for Education website of schools in my constituency that have expressed an interest in the academy process includes Wolsey infant school in New Addington, which is an outstanding school, and St Mary's junior school, which is not. Both of them serve highly deprived parts of my constituency. If Labour Members have the passion that they say they have about driving up educational standards in deprived areas, that ought to apply equally at primary and secondary level.

I do not wish to detain hon. Members for long, but I want to address the four main objections that have been raised regarding primary schools. The first objection was about size and whether primary schools would be able to cope with the responsibilities that come with academy status. Having looked at the schools in my constituency that have expressed an interest, I would expect a far lower proportion of primary schools than secondary schools to be interested in going down this route because of their size. However, there are large discrepancies regarding primary schools. In my local authority area there are a number of single-form entry schools, some two-form entry schools and a significant number of three-form entry schools. The picture is very different for a three-form entry school, such as the state school that my children go to, than for a single-form entry school.

It would be helpful if the Minister clarified the position on federations. The Secretary of State's response to the shadow Secretary of State on Second Reading implied that applications from federations would be accepted. Clearly, that would be one way of addressing issues of size and scope. One concern that the Labour party has raised about academies is the fear that schools will stop working together, so it seems particularly perverse for the amendment to rule out the prospect of federations of schools applying for academy status and preserving those relationships that Members on both sides want to persist.

My main point about the issue of school size is that the legislation is, as several hon. Members have pointed out, permissive. Surely, we should trust head teachers, leadership teams and governors to judge whether their schools have the capacity to cope with academy status.

Mr Stewart Jackson: My hon. Friend has hit the nail on the head. It is better to have looser language in the Bill because, as the hon. Member for Gedling (Vernon Coaker) knows, any issues of consultation in relation to the schools that seek to proceed along this path will be the subject of regulation and secondary legislation. Does my hon. Friend agree that it is better to have looser language in the Bill than to be too prescriptive, because that might, as the shadow Minister has said, lay individual schools, local education authorities and other bodies open to legal action further down the line?

Gavin Barwell: My hon. Friend makes the point far more eloquently than I can. At some point in the future, the shadow Education Minister might have the honour of being the Minister again, or even the Secretary of State, who will sign off the applications for academy status. However, the amendment would tell primary schools or federations of primary schools that they were not even allowed to make the case for academy status, and that is completely the wrong approach.

Ian Mearns: The hon. Gentleman refers to schools working in partnership on school improvement programmes, and clause 15 refers to city technology colleges becoming part of the family of academies that the legislation will look after, but I am afraid that the city technology college in my constituency has always been fiercely independent and has never wanted to work in partnership with any other school or with the local education authority. I do not see how the circle will be squared, because that is the evidence from our experience.

Gavin Barwell: I thank the hon. Gentleman for his intervention, but my experience in my part of the world is very different. In Croydon we had one of the original city technology colleges, which has converted to an

academy, as most CTCs have, and the academy partners have continued to work closely with the local authority and community.

My next point is about the evidence base. In an intervention on the hon. Member for Gedling, I referred to the evidence in relation to the Oasis Academy Shirley Park, an all-through academy that he and the former Secretary of State approved in my constituency. The evidence from the first year is that at primary and secondary levels the academy has made a profound difference not just to pupil attainment, parental satisfaction and the local community's confidence in the school, but most importantly to the pupils' perception of the school that they attend, which surely ought to be the key judge of any school.

The Opposition also argued that the policy is a leap in the dark, and that, whereas the previous policy was managed and a number of schools became academies each year, we are opening the floodgates and do not know how many schools might become such institutions. Having listened to the debate, however, it is clear that the Secretary of State will retain control of approving academy applications, and the explanatory notes to the Bill give a rough forecast of the numbers that we might expect.

My final point is about the admissions policy. The hon. Gentleman suggested that, given how primary schools are rooted in their community and some secondary schools are not, there was a danger that the admissions criteria might change and the local link could break down. As I understand the arrangements, however, such schools will continue to be covered by the admissions code. Indeed, in my area we have written into academy funding agreements the importance of a clear local link in relation to selection. In all parts of the country, we want good schools serving their local communities so that local parents have what they want, which in my experience is a good local school.

None of the concerns about size, evidence base, opening the floodgates or admissions bears any scrutiny, and there is a very important point of principle. Primary schools or federations of primary schools should have the chance to make to the Secretary of State the case for being given academy status, so that we see at primary level the same improvement, particularly in deprived parts of the country, of which there are a number in my constituency, that we have seen at secondary level.

Glenda Jackson: The Government argue that the Bill is permissive, but my hon. Friend the Member for Gedling (Vernon Coaker) has made it abundantly clear that there is no evidence why primary schools should apply for academy status, so I am intrigued about the permission that the Government believe primary schools are denied and, therefore, want to grant them.

Government Members have also argued that the Bill is born of a desire to raise standards, but the issue with primary schools in my constituency, all of which are over-subscribed, have very high educational standards and provide a much more rounded education to the children who attend them, is that there will be a serious shortfall in places. Before the general election we were informed that a new primary school would be built in my constituency, and I shall not go into the debacle of Building Schools for the Future, but it has a knock-on effect on the provision of school places—certainly in an inner-London borough such as mine. That proposal now seems either to have disappeared or to have been thrown into the deep freeze.

The overriding issue that parents raise with me as regards primary schools is that they cannot get their child into their first-choice primary school, which almost invariably is that within walking distance of where their child lives. They want that not only because their child is already part of the community where they then make friends who live in the same area but because, as we are increasingly aware, many parents have to juggle not only work but a variety of school ages among their children. Only the other day, I had a constituency case involving a mother whose third child is about to start primary school. She has to transport the other two children to different parts of the borough, and it is clearly out of the question for her to be asked to take a place in another primary school that is even further away.

I am somewhat bemused as to why the Government think that their approach of academising all our schools will tackle the real issues that are facing my constituents and their children in relation to the provision of school places. There is another, more nuanced issue in my constituency. Many of the primary schools are faith-based, and there is constant conflict between parents who want their children to go to a faith-based school and parents who do not want their children to go to such a school.

That brings me back to my central point about academising all our schools—the Government's continuing total exclusion of the opinions of parents. If it were stated in the Bill that parents have to be consulted, I could begin to understand this. I would not understand it completely, but I could see that it might offer the means genuinely to examine the issues that face many of my constituents as regards primary schools. My hon. Friend mentioned another concern to do with nursery places linked to a primary school, but he did not touch on after-school clubs, which are also linked to primary schools, certainly in my constituency. There has also been a move towards primary schools acting as feeders for secondary schools, as well as community linkage across my entire constituency, which encompasses two London boroughs.

As I say, I am bemused by the idea of academising our educational system, but the central and essential issue for me is the Government's total failure to acknowledge the importance of consulting parents on these issues. I see that the Chair of the Education Committee has returned to his place. In an earlier intervention, he castigated my hon. Friend for his criticism of the Bill and said that Labour was reverting to some deep-frozen I do not know what—he said something about the waters closing over new Labour. I found that somewhat surprising, because before the election he was, almost individually, the creator of the all-party group on home education. If I remember rightly, the central and essential argument that he consistently proselytised, and I agreed with him, was that the Government of the day—my Government—had markedly failed to consult parents. That was the basis of his argument, and I am somewhat shocked that it seems to have disappeared from his mind.

Mr Graham Stuart: I think that it was rather more to do with the fact that the Government of the day wanted to monitor, regulate, intervene, instruct, license and control parents than with the fact that they were not listening to them. The main aim was to ensure that the state did not trample all over their freedom, and that is an essential safety valve that home education gives to a system that too often fails parents and children—the most vulnerable children the most often.

Glenda Jackson: I have not been quite so hyperbolic in my choice of verbs as the hon. Gentleman, but it seems to me that in this Bill his Government are attempting to replicate precisely what he is accusing my Government of attempting to do with regard to home-educated children.

Put in the simplest terms, the Government are ignoring parents' opinions. That is why the arguments that they have advanced on primary schools, and will advance with regard to secondary schools, should be fiercely opposed, and I am delighted to see that Labour Members are continuing to do that.

Mr Gibb: May I add my welcome to the hon. Member for Gedling (Vernon Coaker) to the Opposition Front-Bench role? In some ways, it is as tough as being a Minister. He has no support and has to draft all the amendments himself, so I am sympathetic to his position. I am grateful to him for the kind words that he passed on at the beginning of the debate.

5 pm

The amendments focus on nursery and primary schools. Amendment 32 would prevent stand-alone nurseries or primary schools, or joint primary and nursery schools, from becoming academies. Amendment 48 would prevent any primary school from applying for an academy order within the first two years of the Bill receiving Royal Assent, after which only primary schools or federations of primary schools with more than 500 pupils would be able to apply.

First, I reassure hon. Members that no stand-alone nursery is permitted to become an academy. Academies are schools, as defined in section 463 of the Education Act 1996, which provides that any independent school must provide full-time education for five or more pupils of compulsory school age. Hence, stand-alone nursery schools will not be able to apply for academy status.

Primary schools will be free to choose whether academy status is the right option for them. There will be no requirement for them to convert into academies. I appreciate that many small primary schools may depend on the local authority more than other schools, which is why the Bill is permissive rather than prescriptive, as my hon. Friend the Member for Croydon Central (Gavin Barwell) so ably pointed out. It is about trusting professionals. We want schools to determine whether academy status is right for them, and we understand that it may not be right for some very small primaries. That should not mean that primary schools that want to become academies and believe that it is a viable option for them should be prevented from doing so.

In another place, Lord Knight—a wonderfully mediaeval title for a former Education Minister—did not appear to be against primary schools becoming academies in principle. He said:

"I am not completely against the notion that there might be circumstances where groups of primaries could become academies". His concern seemed to be one of practicalities. As my noble Friend Baroness Perry pointed out,

"many of these primary schools, particularly in rural communities, are at the heart of the community and can attract very senior and experienced businesspeople and professionals from the community to their governing bodies and the chairmanship of those bodies. Therefore, they do not lack that kind of hard-edged business experience in running their affairs."—[*Official Report, House of Lords*, 6 July 2010; Vol. 720, c. 122, 120.]

The fact that they are at the heart of their communities is their strength, not their weakness.

Mr Ward: On the Minister's defence of the Bill as being of a permissive nature, does he believe we should also have permissive legislation without a full impact assessment to allow everybody to walk around naked, on the basis that they would not have to do it if they did not want to?

Mr Gibb: That is an argument taken ad absurdum, and I do not think it is very effective.

Mr Graham Stuart: The hon. Member for Hampstead and Kilburn (Glenda Jackson) made an important point about the need to ensure that communities, parents and schools feel that they are in control and making decisions, which is why the power is properly permissive.

What consideration did the Minister give to whether a school that becomes an academy could reverse that process? I bring that up, I hope in order, because smaller primary schools might find that the academy freedoms do not work for them. It is important that the system makes communities and schools feel in control, not forced down a particular channel. We will get much further with the policy if people feel that way.

Mr Gibb: No primary school is being forced down any channel, that is the whole essence of the proposals. We will not let academies fail, and if they are struggling intervention measures and monitoring will take place to ensure that different sponsors can take them over.

We want all schools that want academy status to be able to apply for it, and we do not intend to deny certain schools that option. Nor do we believe that a delay of two years before primary schools can apply to convert is necessary or appropriate. However, we will see whether any lessons can be learned from the primaries that convert this September. Furthermore, we encourage federations or partnership arrangements that wish to convert, as well as proposals for all-through academies.

I should also point out that when there are challenges with primaries—for example, with shared or co-located services such as children's centres—we intend to work through them with all the relevant partners to ensure that services are maintained without interruption. That may mean that the process of conversion takes a little longer, but it is important to do things correctly.

The hon. Member for Gedling seemed to express no principle objection. He cited all-through academies, but said that things were different for stand-alone primaries owing to their size and the fact that their location communities could be at risk, but why? In another place, the Under-Secretary of State, Lord Hill of Oareford, said:

"The local primary school is very much part of the village where I live and I know that that is true throughout the country…If an outstanding local primary were to become an academy, it is

not clear why it should automatically become less of a part of the local community, village or town life. It will have the same head, staff, parents and children with some additional freedoms. I am not clear why the change of status should suddenly make those people in their villages, towns and communities suddenly start to behave differently."—[*Official Report, House of Lords*, 6 July 2010; Vol. 720, c. 125.]

That is a very well expressed answer to the questions asked throughout the debate on the Bill on whether academies will continue to be part of the community. Of course they will. There is no evidence from the 203 academies, other than the one cited by the hon. Member for Gateshead (Ian Mearns), that they are any more or less involved in their communities than maintained schools. I am sure that the hon. Member for Gedling did not preside over the 203 academies with a view to them being islands unto themselves and isolated from the community.

Vernon Coaker: Of the 203 schools to which the Minister refers, how many are primary schools?

Mr Gibb: They were not permitted to become academies under the hon. Gentleman's tutelage and stewardship. The Bill is permissive legislation to allow more schools to acquire the academy status that he extolled as a Minister.

Stephen Pound: I am not entirely opposed to academies—we have an extremely good one in Ealing North—but there is a problem with governance and involvement with local communities. When an academy sets up, it does not need local education governors or even parent governors—it can select governors. The link with the community is crucial, so what would the Minister say to those who remain to be convinced when it comes to the establishment of an academy within their local community but who would also like that governance link?

Mr Gibb: An academy can, of course, have the local authority represented on its governing body, but it is up to the academy trust to decide its structure. The hon. Gentleman praised his local academy in Ealing, but there are different models for schools. The academy model gives schools more independence from the local authority and indeed from the Government, and it has worked in his constituency and up and down the country. There is ample evidence in the impact assessment that the model is very effective here and in other countries. We need not have a one-size-fits-all approach to the governance of schools. The community school is one model, and the academy is another. We believe that the latter needs to be boosted and given a chance to extend into other forms of school.

Stephen Pound: I do not want to trespass on the Minister's good nature or generosity. I quite rightly praised West London academy because it maintains the link with the local community. What is his personal preference? Is it for a school governing body to be drawn from the local community or for it to be completely separate?

Mr Gibb: I do not think that it matters. What matters is that the academy is engaged with the local community. Any academy that wants to attract parents and pupils will engage with the local community. That is my preference.

Glenda Jackson: The Minister rightly says that he does not believe that there will be a one-size-fits-all approach. However, he said earlier that no academy would be allowed to fail. How can he guarantee that? Will there be a wide range of failure prevention measures?

Mr Gibb: Any Government face such challenges, but the Government whom the hon. Lady supported for 13 years were not that effective in dealing with them. Under the previous Government, a considerable number of schools were in special measures for a long period, and the results in some schools were very poor. This is going to be a challenge for this Government, as it was for the previous Government. It will also be a challenge for the organisation that monitors the quangos—the Young People's Learning Agency.

Ian Mearns: The way in which the legislation has been framed seems to have built in a mechanism under which that scrutiny will not need to be carried out in the first instance, because only outstanding schools will be allowed to go forward. The whole point of the previous Government's academies programme was to lift standards in schools that were performing below the level that we all want for our children. This Government's programme is for outstanding schools only—[Hon. Members: "No, it's not."] Well, that is certainly the way the legislation seems to be framed.

Mr Gibb: My hon. Friends have just made the point from a sedentary position that that is not the case. It is not only outstanding schools that are being invited to acquire academy status; it is all schools. We are also continuing to address the problems at the other end of the scale, to ensure that schools that are in special measures and that are struggling can acquire academy status and have a sponsor that can raise standards in those schools. Those projects, and that approach to policy, will continue.

I am surprised at the opposition to these proposals, given that they build on the legislation of the previous Government. They do not represent a major departure from the previous approach. The Bill has only 20 clauses, and the reason for that is that it builds on the legislation introduced by the previous Government.

Dr Pugh: I want to test my understanding of what the Minister is saying. In response to the hon. Member for Ealing North (Stephen Pound), he said that he would be perfectly happy for a governing body to spend a fair amount of money on behalf of local children, even though there might not be anyone on that governing body who had any connection to local children. Surely there is an issue of accountability there—

The First Deputy Chairman of Ways and Means (Mr Nigel Evans): Order. This is not a wide-ranging debate on academies in general. We are debating the amendment, so perhaps the Minister could now direct his comments to that.

Mr Gibb: Thank you very much, Mr Evans. I will seek to do so.

There will be parent governors on the governing bodies of the schools, so they will not be divorced from them. We are trying to be permissive and to allow

[Mr Gibb]

academies to draw up their own arrangements, and to select their own directors for the academy trusts and governors for the school. That is the approach that we want to take; we do not want to take a top-down approach to the governance of schools.

The hon. Member for Gedling mentioned the figure of 200 in the impact assessment. That is an illustrative figure to show the costs and the benefits that would arise if that number of schools were to convert annually. Given that this is permissive legislation, we cannot say that we will require x number of schools to convert annually and that the cost will therefore be y. He also asked for the number of primary schools that had expressed an interest. I can give him a figure, but with all the caveats that my fellow Minister of State, my hon. Friend the Member for Brent Central (Sarah Teather) expressed earlier. Of the 1,900 expressions of interest, 862 have been from primary schools, and 529 of the 862 have been judged by Ofsted to be outstanding.

Vernon Coaker: I thank the Minister for that information. How many primary schools does he expect to become academies in September? He has talked about expressions of interest, but how many does he expect actually to convert?

Mr Gibb: It is very hard to say at the moment. I cannot anticipate what the number will be. For every application that has been submitted, there is a named official working with the school. That process is happening right now, and I am afraid that the right hon. Gentleman will have to wait until we are able to announce the figure. I think that he will be very pleased with the figure.

Vernon Coaker: But what will happen in counties such as Leicestershire, where the schools are now on holiday? How will the negotiations carry on there?

Mr Gibb: The discussions will carry on through August; not everyone is rushing away. Those schools that are determined to open as academies in September will be working throughout August to achieve that.

The hon. Gentleman raised the issue of the costs of insurance and VAT. Those will be covered by the general annual grant paid to academies. He asked about federations, a question also raised by my hon. Friend the Member for North Cornwall (Dan Rogerson).

5.15 pm

Vernon Coaker: I appreciate that the Minister may not know the answer to this, but what is his estimate of the VAT cost? Is it an additional cost, as I think it might be, for the academies? Is it factored in at 17.5%, and is the increase to 20% in January taken into account?

Mr Gibb: I will happily respond to the hon. Gentleman's questions. As he knows, having been a Minister, there is a VAT cost because academies, as independent schools, cannot reclaim it, whereas when they were maintained schools the local authority had a reclaim procedure that enabled them to reclaim it. The VAT that academies cannot reclaim at the moment will form part of their funding and does not present a cost to Government; it is simply an internal accounting issue.

There are hard federations and soft federations. A hard federation has one governing body that is shared by the number of schools within it; that governing body can of course apply to become an academy. Soft federations, which have a number of governing bodies, can also apply, regardless of whether one or two of the schools are outstanding. If there are no outstanding schools in the federation, things will take a little longer than if there were.

Primaries with a nursery school will be able to convert to an academy, notwithstanding the fact that the nursery school is within the school. In those circumstances, therefore, the nursery school will become an academy.

The hon. Gentleman asked about the early years foundation stage, which does of course apply to independent schools. Academies are independent schools and the early years foundation stage is statutory, so it will also apply to academies.

The hon. Member for Hampstead and Kilburn (Glenda Jackson) talked about her constituents being unable to get their children into their first choice of primary school. This is absolutely the issue we are debating. We want to raise standards across all schools and to invite new providers into the system, particularly in areas such as those she described, in which there is parental dissatisfaction with existing provision. That is where the focus of our efforts will be.

Glenda Jackson: The issue is not standards but capacity. There are insufficient places, and for the majority of primary schools in my constituency there is no possibility of extending their existing sites. As I said before the general election, we were promised a new primary school. Where has that gone? Why are the hon. Gentleman's Government not meeting that promise?

Mr Gibb: That is a different issue, and capital will be available to deal with the increasing population of young children. The birth rate is increasing, which means that new capacity will be required in some areas, and those capital costs will be met. I thought that the hon. Lady was making a slightly different point—that some very popular schools are over-subscribed because parents from a wider area try to get their children in, crowding out local children in some circumstances. We want to ensure that parents are happy with the quality, as well as the quantity, of provision.

Mr Mark Field (Cities of London and Westminster) (Con): The Minister will be aware that there are specific issues in inner London, particularly given the massive increase in population mobility and local authorities' policy of encouraging families in. There are therefore some issues specific to central London that the Minister needs to be aware of as he puts this policy in place.

Mr Gibb: I am grateful to my hon. Friend for raising that important issue on behalf of his constituents, which he has raised before in Westminster Hall debates. I am aware of it, we are concerned about it and I can assure him it will be dealt with.

My hon. Friend the Member for North Cornwall raised a number of issues. In particular, he talked about monitoring schools and asked about the Young People's Learning Agency. I reassure him that it will have the capacity to monitor academies' performance as the

number of academies increases over the years. He also asked about buying back services from local authorities. That is very much part of the model. Just because a school opts to become an academy, it does not mean that it will sever its links with the local authority, or will not continue to use local authority services. Local authorities that provide high-quality services are more likely to be able to sell them to academies.

I listened carefully to my hon. Friend's comments, and will continue to reflect on his arguments, but I make three points, which are best summed up by the Minister in the other place, my noble Friend Lord Hill:

> "First...we believe that the number of primaries that will convert in the very first wave is likely to be very modest. Secondly, the Secretary of State has made it clear that he will keep the situation under review and learn any lessons from the first primary converters."—[*Official Report, House of Lords*, 6 July 2010; Vol. 720, c. 127.]

His third point was that there will be an annual report to Parliament on the progress of academies policy. Noble Lords from my hon. Friend's party managed to persuade the Minister in the other place to put that requirement on the statute book. That report is precisely the vehicle through which to consider the impact of academies policy on primary schools.

Having made those few remarks, I very much hope that I have persuaded the hon. Gentleman and my hon. Friend not to press their amendments.

Vernon Coaker: I thank the Minister for his response and the information that he gave us in answer to some of our questions. The issue of VAT is interesting; I am not quite sure of the mechanism involved, but if the Department for Education reimburses schools, hopefully the Treasury will reimburse the Department. I am not quite sure which way round that goes, but I leave the issue with the Minister and will see whether he is more successful with that argument about money than the Department was in its argument about Building Schools for the Future money.

Some of the answers to questions posed by Members from across the Chamber demonstrate that the Bill has been rushed, and demonstrate problems with what the policy will mean in practice. It is interesting that in many respects—this is not so much the case for primaries as for special schools—the Minister is saying, "Trust us. This is permissive legislation; we will sort out some of the detail after we've legislated, hopefully in the next education and schools Bill, in the autumn." That is not particularly appropriate. I understand why the Government want to rush through this legislation—they see it as flagship—but the Minister himself said, in answer to various questions, that issues are being worked on.

Let me give the Minister one example. If I were trying to be nasty to him, I would ask him to explain to the Committee how the ready reckoner on the DFE website works. I am sure that he understands, but nobody else knows how it works. The point is not whether he understands it, but whether anybody out there does. It is telling that large numbers of primary—and, indeed, secondary—schools trying to work out what becoming an academy would mean for them find it difficult to make the ready reckoner work. Some local authorities have been astonished to find that when they put their figures in, it seems that they would pay out more money than they receive. There is some work to be done on that, and no doubt that issue is one that will be looked at when the detail is sorted.

Dan Rogerson: The ready reckoner was the subject of debate in the other place, and I have had sight of a letter to my noble Friend Baroness Walmsley from Lord Hill, the Under-Secretary, on that issue. I understand that he has placed copies of that letter in the Library for hon. Members to look at. I do not know whether the hon. Gentleman has had the opportunity to see it.

Vernon Coaker: I was not aware of that letter. It would have been even more helpful if the hon. Gentleman had told us what it said, but I will have a look at it. Certainly, the ready reckoner and the whole question of funding for primary schools is still an issue.

I take the point about primary schools being an important part of the community, whether they are small, rural or urban. The more important point that many hon. Members made concerned the capacity of those schools operating on their own to deal with academy status, particularly in regard to some of the support that they receive from local authorities on insurance, legal costs and sometimes when emergencies occur. If we are not careful, the Government will undermine the local authority's capacity to deal with such matters, while not giving individual primary schools, even if they become academies, the capacity to deal with them either. That is a real issue for us all.

To be fair, the Minister tried to address most of the points made, except that relating to the inadequacy of the equalities impact assessment and the impact assessment on the Bill, which makes no reference to any evidence for what the Government are doing. My hon. Friends and I have raised serious concerns about the rush to academy status for primary schools, but in the interests of dealing with some of the important issues that remain to be debated in the limited time available, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Ian Mearns: I beg to move amendment 19, page 1, line 22, at end insert—

> (za) the school has regard to the regulations relating to schools admissions made under section 84 of the Schools Standards and Framework Act 1998;
>
> (zb) the school has regard to the regulations relating to the exclusion of pupils made under section 52 of the Education Act 2002;'.

The First Deputy Chairman: With this it will be convenient to discuss the following: amendment 23, page 2, line 8, at end insert—

> (e) the school must comply with the provisions of the Code for School Admissions issued from time to time by the Secretary of State.'.

Amendment 24, page 2, line 8, at end insert—

> (e) the school must comply with fair access protocols issued from time to time by the Secretary of State.'.

Amendment 27, page 2, line 8, at end insert—

> (e) the school complies with provisions on pupil exclusions and behaviour partnerships as set out in EA 2002, EIA 2006 and ASCLA 2009.'.

Amendment 42, page 2, line 8, at end insert—

(e) the admissions arrangements of the school make no provision for selection on the basis of religion or belief.'.

Amendment 11, page 2, line 21, at end insert—

'(9A) Academy arrangements must also include terms imposed for the purpose of securing that the school complies with any code for school admissions issued under section 84 of SSFA.'.

Amendment 43, page 2, line 23, at end insert—

'(11) Subsection (12) applies if the school is a voluntary controlled school which is designated by order under section 69(3) of SSFA 1998 as a school having a particular religious character.

(12) The Academy agreement must include terms imposed for the purpose of securing that no greater percentage of pupils are selected on the basis of religion or belief after, as compared with before, the conversion date.'.

Amendment 14, in clause 6, page 4, line 21, leave out subsections (3) and (4).

Amendment 49, in clause 6, page 4, line 24, at end insert—

'(3A) If the school is a selective school, sections 105 to 109 of SSFA 1998 shall continue to apply in respect of the retention of selective admission arrangements at the school.'.

Amendment 44, in clause 6, page 4, line 37, at end insert—

'( ) Subsections (7) and (8) apply only if the governing body has made a request to maintain such religious character.

( ) Subsections (7) and (8) do not apply if the school is not designated by order under section 69(3) of SSFA 1998 as a school having a particular religious character and, on conversion to an Academy, such a school may not then be designated or treated as designated by order under section 69(3) of SSFA 1998 as a school having a particular religious character.'.

Amendment 12, in clause 6, page 5, line 4, at end add—

'(10) After the conversion date the school must comply with any code for school admissions issued under section 84 of SSFA which applied to the school on the conversion date.'.

Amendment 13, in schedule 2, page 18, line 26, at end insert—

'9A In section 84(1) of SSFA (code for school admissions) after paragraph (b) insert—

"(bza) Academies,".'.

Ian Mearns: I do not intend to detain the Committee for long as we are only three amendments into a 30-odd amendment marathon.

I am not a fan of the legislation as it takes a set of proposals that were meant for one set of schools and transfers those, lock, stock and barrel, to schools in a wholly different category. It takes resources that were meant to improve the educational outcome for children in schools that are underperforming and transfers them in a targeted way to schools that are, in the first instance, already regarded as outstanding. It will also take resources that the local authority currently receives to be targeted at school improvement and gives those resources to schools that are already outstanding, in a "devil take the hindmost" fashion.

Mr Graham Stuart: The hon. Gentleman makes a powerful case were it not for the fact that the Government have made it clear that they want all schools to have the opportunity to become academies and have that freedom. Also, the pupil premium, which is an important part of the policy platform, will ensure that the poorest in our society have an extra resource, which, for the first time, will follow them, rather than some political fix. Surely he should recognise that in his remarks.

Ian Mearns: I thank the Select Committee Chair for his comments, but I did emphasise the words "in the first instance" with regard to the outstanding schools in these proposals. The pupil premium will be part of legislation in the autumn, and it remains to be seen how those proposals will pan out.

Glenda Jackson: I tabled questions asking which children in my constituency would benefit from the pupil premium and which would not, and the Department did not know.

Ian Mearns: I thank my hon. Friend for that information. It helps us to pad out the argument about how we feel about the Bill.

Government Members have regularly alluded to and broadly welcomed what they see as a return to grant-maintained schools by another name, now known as son of grant-maintained schools or academies. If the policy were to go down that road, its fairness, equity and accountability would have to be severely questioned. Unlike local authorities, the governing body of an academy will not undergo the rigours of the local democratic system. That is, it will not have to stand for election and stand or fall on its record and/or its programme.

5.30 pm

I know that the Secretary of State has been keen to placate local government representatives on these issues. Indeed, in a speech at the Local Government Association annual conference in Bournemouth, he confirmed that he sees councils continuing to play a strong, strategic role in the school system. However, local government is very disappointed that there has been no opportunity for formal consultation on these proposals, which has left little chance to discuss in detail some of the potential issues. My hon. Friend the Member for Gedling (Vernon Coaker) referred to the ready reckoner implications earlier. In my local authority, some of the ready reckoner calculations done by finance officers have resulted in horrendous—

Mr Gibb: The ready reckoner is used to give an indication to prospective academies of what their funding might be. It is not to be used by local authorities to calculate the claw-back, because they are different figures. Academies are funded through two different routes, so the figures would not match.

Ian Mearns: Nevertheless, local authorities are uncertain about the financial implications and their capacity to improve schools in the future. Indeed, education cannot be delivered in isolation from the wider range of local public services used by children and young people—or by the local community. Within education, if the role of local authorities as commissioners was recognised and strengthened, the children's services budget could be more efficiently used by delivering a wider range of services through schools.

It is important to ensure that all children have fair access to a place in a local school, and that academies operate a fair admissions procedure. Similarly, it is imperative that all schools operate a fair exclusions policy. I was pleased that the Secretary of State gave a reassurance on Second Reading when he said that academies

"have to abide by the admissions code and subscribe to fair access protocols, so that those hard-to-place children are placed appropriately."—[*Official Report*, 19 July 2010; Vol. 514, c. 31.]

However, I would like to see an inclusion in the Bill that all academies must comply with admissions law and codes and fair access protocols, as well as regulations relating to pupil exclusions. That would ensure that they were on the same footing as other schools, requiring a change to primary legislation to amend and making them truly equal partners. I therefore ask the Committee to accept amendment No. 19 in my name because it would achieve exactly that.

Dr Julian Huppert (Cambridge) (LD): I tabled amendments 42, 43 and 44, which deal with one aspect of admissions to academies of a religious nature. I understand the benefits that can flow from such schools. Indeed, I used to be a governor of a Church of England school in the ward I represented and it was a very interesting experience. However, I am concerned that the Bill may inadvertently lead to an increase in the proportion of religious places. It risks permanently entrenching religious segregation in our education system through irreversible changes that could permit wide discrimination in admissions and employment.

By "freeing" religious academies from the national curriculum without sufficient safeguards, the Bill also risks exposing children to extreme religious views, including creationism. Members will know that I have spent some time arguing for the scientific line on such issues. My concern is widely shared. A new ICM poll commissioned by the British Humanist Association found that 72% of the public are concerned that the Academies Bill could lead to taxpayers' money being used to promote religion. A third of the public said that they were "very concerned" about that. The poll also found that two thirds of people think that religious academies should be required to teach pupils about other beliefs, including non-religious ones.

I seek assurances from the Minister on these issues and I have tabled three amendments to flush out their thinking in this area. Amendment 42 would prevent any form of religious discrimination in admissions policies. Many state-funded "faith schools" use privileges to have highly selective admissions criteria, giving preference to the children of parents with particular beliefs. The Government have so far made it clear that they intend to allow these schools to retain their admissions policies, and I have great concerns in that area. It can cause segregation along religious and socio-economic lines. Professor Ted Cantle, author of a report into community cohesion in Blackburn, describes religious schools as

"automatically a source of division"

in the town, which is not something we would wish to see. In other areas, faith schools, which are their own admissions authorities—as these academies will be—are 10 times more likely to be highly unrepresentative of their surrounding area than faith schools where the local authority is the admission authority. Separating children by religion, class and ethnicity is totally antithetical to the aims of social cohesion, and amendment 42 would ensure that no academy pupil is discriminated against on religious grounds.

That is an ideal to which I hope we all aspire. However, if amendment 42 cannot be accepted by the Government, I hope that amendment 43 can at least provide greater assurance. It would ensure that, at the very least, existing faith schools cannot discriminate more when they achieve academy status. During discussions in the other place, the Government confirmed that maintained faith schools will be able to discriminate in admissions. I hope they will change their mind on that. They said that a 50% quota would be imposed to ensure that 50% of admissions would not be religiously selective, and that was repeated on Second Reading. However, that provision is not in the Bill, the model funding agreement or any other official guidance or information. We need to know what would happen there. If amendment 42 cannot be accepted, I hope that amendment 43 will be, to ensure that things can get no worse than they currently are.

Finally, I turn to amendment 44, which deals with two issues, one of which I take to be a drafting error on which I seek reassurance, and the other is the desire to provide choice for current religious schools. I shall take the second part of the amendment first. The amendment would ensure symmetry. Currently a state-funded religious school becomes a religious academy, but there is nothing to confirm that a non-faith school becomes a non-faith academy. I therefore seek the guarantee, which I think the Secretary of State intended, that that is what would happen—that their nature simply would not change.

The first part of the amendment deals with schools that are religious schools now. Currently, a state-maintained school with a religious character is forced to become an academy with that religious character, but surely religious schools should at least have the option not to do that if they do not wish to. That would be popular with the local community: a recent poll found that 64% of people agreed that the Government should not be funding faith schools of any kind—but that is a debate for another time. However, some faith schools are only nominally of a religious character—that character being a residue of former connections. When taking on academy status with the possibility of growth, these schools may wish to free themselves of the restrictive status of being of a religious character which has ceased to be relevant to them. The amendment would allow them the choice, rather than compel them.

I hope my amendments will be considered carefully by the Government, and I hope that Ministers will comment on them. I intend them as probing amendments and will not press them to a vote, but I hope that the Government will take them seriously and accept a number of them.

Caroline Lucas (Brighton, Pavilion) (Green): I am the author of four amendments in this group, and their purpose is to try to make it mandatory for the new academies to comply with the schools admission code. Concerns have been expressed in this debate that increasing the number of academies will have major implications for admissions planning, and, as I said, the amendments seek to ensure that there is co-ordination and that it is mandatory for academies to comply with the code.

[Caroline Lucas]

If the Government are serious that the proposals will not open up the back door to selection, as many of us fear—that promise was made in the other place—why not state very clearly in the Bill that academies should comply with the schools admission code, instead of only stating that academies will have to comply with the codes under their funding arrangements? Although required under those arrangements to meet the code, the levers to ensure that that happens still rest entirely with the Secretary of State. So all concerns about fairness keep being met with the reassurance that it is in the funding agreement, but that is not good enough. Parents must know, through a proper consultation process prior to the setting up of an academy, what the admissions arrangements for the school will be and how their chances of getting into the local schools will be affected. Furthermore, there must be mechanisms to ensure that funding agreements can be changed to ensure that academies follow any changes required in any future code on admissions.

Essentially, voluntary-aided schools, foundation schools, trust schools and academies all operate as admission authorities, able to set their own admission criteria. Research over a number of years has shown that where schools set their own criteria, there is more social segregation. In particular, the fact that grammar schools will be allowed to become academies is a serious concern. Selective academies will be able to expand in a way that grammar schools currently are not allowed to. That expansion will also take place after limited consultation with the local community. I would therefore like the Minister to reassure the Committee that all new academies, including former grammar schools, will be required to participate in local admissions co-ordination schemes.

Under the 2009 code, the schools adjudicators, as the independent enforcers of fair access to schools, also have a wider remit to consider any admissions arrangements that come to their attention, in addition to any complaints received through an objection. Can the Minister tell the Committee whether the schools adjudicators will be reporting annually to the Secretary of State on the admissions of academies as well? We could debate at length the ability of an admission forum to ensure fairness, but will the Minister assure the Committee that academies will be represented on admissions forums? Currently, regulations allow for the administration of all admissions—in other words, dealing with the key administrative decisions on whether an applicant meets the admissions criteria, even if they are set by the school—to be carried out by the local authority. Is the option to allow the local authority to administer admissions still open to all schools, including academies? Finally, will the Government encourage a role for local authorities in administering admissions in that way?

Tony Baldry (Banbury) (Con): I hope that the Committee will excuse me if I intervene briefly in my capacity as Second Church Estates Commissioner to deal with the points raised by my hon. Friend the Member for Cambridge (Dr Huppert). What he was talking about was something of a straw man. There is nothing in the Bill that changes the existing relationship between the state and faith groups, although it is important to remind the Committee of a couple of things.

First, the reason why there are so many faith schools among primary and secondary schools in England and Wales is that, as part of the Education Act 1944, the then Government persuaded the Church of England and the Roman Catholic Church to place at the disposal of the state all the Church schools that they had previously run. The then Government simply could not have delivered universal state education through the 1944 Act if the Churches had not brought all their schools into the state system.

Secondly, one fundamental principle of the 1944 Act was that, so far as possible, children should be educated in accordance with the wishes of their parents. No one is obliged to send their child to a faith school; they do so because they wish to. I suspect that it is the experience of us all in the House that faith schools in our constituencies are consistently and substantially over-subscribed. I have one faith school in my constituency—Blessed George Napier school, a Roman Catholic comprehensive secondary school in the diocese of Birmingham—that is consistently over-subscribed, because parents wish to send their children there.

Ms Karen Buck (Westminster North) (Lab): Could the hon. Gentleman help me to understand why, across the piece and on average, faith schools have an intake that is substantially less deprived than maintained schools?

Tony Baldry: I do not accept that as a principle or an assertion, although I would be happy to meet the hon. Lady to talk about it, because the Church takes considerable pride in the fact that it admits into its schools a wide range of pupils, from all backgrounds, all faiths and all cultures, particularly in London. The Church of England sees that as an important part of its outreach and its commitment to the community and society as a whole.

Dr Huppert: Will the hon. Gentleman give way?

Tony Baldry: I will, but let me finish my point.

5.45 pm

It is of fundamental importance that parents can educate their children as they wish. My hon. Friend the Member for Cambridge is clearly opposed to any faith schools at all. That may well be a debate for another occasion, but it is not a debate under this Bill. This Bill does nothing to alter the existing covenant and arrangements between Church and faith groups in respect of faith schools. I suspect that I am not the only Member to have received all sorts of e-mails suggesting otherwise. They are wrong: this Bill does nothing to upset or alter the covenant between Church and state that has existed since 1944.

Dr Huppert: I thank the hon. Gentleman for giving way. First, he says that parents have a choice, but does he accept that that simply does not apply in many rural areas where there is no reasonable choice because there is a shortage of schools nearby? Furthermore, he says that there is no change, so may I take it that he will support the second part of my amendment 44, which stipulates that there should be no change in either direction—into or out of faith schools?

Tony Baldry: For the more than 27 years I have represented my constituency, I have never yet received a complaint from a parent about being obliged to send a child to a rural church school. It is usually the other

way round, with parents expressing the concern that they cannot get their children into the local church school if there is only one school available. I hope that Government Members would accept it as a fundamental principle that, so far as possible, children should be educated in accordance with the wishes of their parents.

On my hon. Friend's second point, with all due respect I think his amendments are seeking to create some straw men that simply do not exist in this Bill. It is a distraction. There may be another time for such a debate and I am sure that I and other colleagues would gladly engage with him because many in the House believe that faith schools make a very substantial contribution to our national life, provide diversity in education and contribute to the richness of educational experience in this country. As I say, I believe that seeking to introduce these amendments is a distraction, and I hope that the House will oppose them.

Glenda Jackson: Following on from the hon. Member for Banbury (Tony Baldry), let me say that it is more than anecdotal—and certain in my constituency—that all schools, primary or secondary, are over-subscribed. As the hon. Gentleman said, parents should be allowed to educate their children as they wish, but parents who want to educate their child in a faith school—Church of England, Roman Catholic or Muslim—may find that there are no places because they have been superseded not only by people who have suddenly discovered their faith but by those who have had the money to buy their way into a catchment area. Yes, we would all like parents to see their children educated as they wish, whether it be in a faith school or a non-faith school, but what my constituents overwhelmingly want is to see their children educated in a local school, so they do not have to travel vast distances and so that relationships can be created with in a local area.

In my opinion, this group of amendments brings us to the central part of the Bill, which is all to do with admissions. I have already touched lightly on the difficulties experienced in my constituency. As I said on Second Reading, if the Bill goes through without further amendment, we will return the country to the bad old days of the 11-plus. Many Members on the opposite Benches would love the restoration of the 11-plus and are desperate to return to grammar schools and the old-fashioned secondary modern schools. Under the Bill, they would not even be bog-standard comprehensives, and I can remember what the old secondary schools were like.

It is intrinsically wrong to approach education in a way that so totally excludes parents' input. It is astounding that hon. Members, who, like me, must come across such issues in their constituency surgeries, cannot foresee a position in which, should the Bill go through and the academisation of our schools go on, there would be a determined move on the part of some parents to exclude, first, children with special educational needs; secondly, children who could claim free school meals; and, thirdly, children with English as a second language.

Chris Skidmore: I simply do not understand the hon. Lady's assertion that academies will penalise those with special educational needs or those who can claim free school meals. All the available evidence shows that academies take more pupils who can claim free school meals and more pupils with special educational needs. Her comments therefore make no sense.

Glenda Jackson: I do not know whether the hon. Gentleman simply does not know or whether he is deliberately blurring the issue, but existing academies were established by my Government in areas of grievous deprivation in an attempt to raise the educational standards of children who not only lived in deprived areas, but whose whole lives constituted deprivation. That was the central and essential motive of my Government. The hon. Gentleman's Government propose that every secondary school in the country can suddenly become an academy. I reiterate what I have had occasion to say before: human nature does not change. To go back to the point that the hon. Member for Banbury made—that every parent has the right to educate their child as they wish—there will always be parents who want their children to be in a particular situation, which is not inclusive, but deliberately exclusive. They would wish to exclude children whom they feel, for a variety of reasons—I have given only three—should not share a school with their children.

Chris Skidmore: Many hon. Members simply do not understand the politics of class warfare that the hon. Lady describes. Where is the available evidence for what she outlines? It does not matter if the parents are rich or poor or what their background is, they want to do the best for their children, and that should happen. I am sure she will welcome the Government's attempt to ensure that the most deprived pupils have a better start in school through the pupil premium. I look forward to her supporting that.

Glenda Jackson: The hon. Gentleman will be very disappointed. It is not a matter of class warfare, as he describes it. We all understand parents' vulnerability when they are presented with sending their child to a school, and the agonies that they go through—initially, when they first let the child go out of the front door without their being there all the time. We all understand the anxieties that parents experience if they think that the school is not up to the standard that they desire for their children. However, we must not delude ourselves. Some parents are perfectly prepared to sacrifice the education of other parents' children if they think they can gain a greater advantage for their own. Academies open the door to that. That is why, apart from the academic downturn to which the Bill will lead, the potential for social division is horrendous.

An inner-London constituency such as mine is multiracial, multicultural, multi-ethnic, multi-you-name-it-we've-got-it—and it works. People communicate and get on, and there is an exchange of culture, tradition and identity and a sense of community, which is shared by all. It is inherent in the Bill, however, that it will begin to chip away at that and destroy it. That is inevitable. I remember the terrible rows that took place, the terrible ongoing arguments, when it was first proposed that we should get rid of grammar schools. That situation could be replicated.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): I think that my hon. Friend is describing the difference between an admissions policy, which can be manipulated, and a secondary school catchment area. The catchment area will give an impression of the community that contains the school, whereas an admissions policy that is not nailed down or defined in any great detail will not necessarily give such an impression.

Glenda Jackson: Absolutely. My hon. Friend has made the point much more succinctly than I could have done. That is the bedrock of my argument: there must be an admissions policy that affects all schools and cannot be left exclusively to the governors of a school.

Chris Skidmore: The hon. Lady says that the schools system in her constituency "absolutely works". Last year, 48.4% of pupils in the constituency achieved five good GCSEs including English and maths. That means that more than half the pupils in her constituency are not achieving the basics at GCSE. Does the system really "absolutely work"?

Glenda Jackson: I do not wish to be rude, but the hon. Gentleman is not a testament to his own education. He does not listen to what I say. The point that I was making about a community was not about education, but about the way in which communities work together over a wide spectrum of experience, ethnicity and age. I consider that the Bill has enormous potential to create a serious breakdown in social cohesion—

Ms Buck: Will my hon. Friend give way?

Glenda Jackson: May I just finish the sentence? Then I shall be delighted to allow my hon. Friend to intervene.

It seems to me that the strongest bulwark against that serious breakdown is to ensure that we have an admissions policy that is fair in the broadest sense, as suggested by the hon. Member for Brighton, Pavilion (Caroline Lucas).

Ms Buck: Is not my hon. Friend's point reinforced, and that made by the hon. Member for Kingswood (Chris Skidmore) undermined, by the extraordinary variation in the intake of precisely the pupils whom my hon. Friend has described—pupils who are on School Action Plus, pupils with special educational needs and pupils who are entitled to free school dinners? Schools with a significantly larger proportion of pupils in those categories almost invariably struggle to achieve the educational standards achieved by schools that choose to take fewer such pupils. Will not allowing more schools to choose less deprived pupils increase that variation between higher and lower-performing schools?

Glenda Jackson: I entirely agree, and we must take that seriously.

We have come so far in so many ways in this country. I know that the hon. Member for Kingswood (Chris Skidmore) disagrees with me, but over the past 13 years I have seen a transformation of the schools in my constituency and a transformation of the educational levels of pupils in my constituency, and that seems to be increasing. There are invariably benefits in such circumstances, because of the wide variety of people whom our children meet. The variations in culture, language and tradition feed into schools in a way that has an intrinsically positive effect not only on the children's education, but on the quality and stability of life in this country.

I am a product of the 11-plus, and I remember distinctly what happened at the time. I lived in a very small town. I was probably related to two thirds of the people there, and everyone knew me and my entire family. The results of the 11-plus came in. As I walked to school people asked me, "Have you passed?" and I said, "I don't know." "Oh," they said, "You've failed." I went home for lunch. The brown envelope had arrived; I had passed. I went back. In the intervening time, my mother had run around and told everyone that I had passed.

What is most shocking to me, however—I did not realise it at the time, but I realise it now—was the attitude of adults whom I had known all my life. I must say in fairness to them that they had always looked out for me and mine and ours, because at that time there was a community culture of looking out for our children. They had changed in a second their view of what I was capable of and of what I was as a human being. If Government Members really wish to return that burden to the shoulders of 11-year-old children, I throw up my hands in despair because I do not know what they want from education or what they expect of our children.

6 pm

Julian Smith (Skipton and Ripon) (Con): Does the hon. Lady not accept that this Bill does not include the capacity to expand selection? It is clear that that is not in the Bill; indeed, that is very clearly stated in the Bill. Would the hon. Lady not accept that?

Glenda Jackson: No, I would not accept that, because the Bill is allowing a minute number of people who are engaged in delivering publicly funded education to our children over a period of time to decide on their admissions policies. They can decide on everything. It seems that they have no need to consult anyone, and if they make a decision and there is a little trouble locally, they then go to the Secretary of State.

Many of us can remember that under a previous Conservative Government there were great difficulties with planning proposals. Planning was always a terrible problem, and the Government of the day simply rubber-stamped the proposals they wished to proceed.

Julian Smith: Is the hon. Lady telling the public that this Bill will expand selection? If she is, I believe that is a deceit.

The First Deputy Chairman of Ways and Means (Mr Nigel Evans): Order. The hon. Member should know that he cannot accuse another hon. Member of deceit. Perhaps he would like to rephrase his comments, and withdraw the word "deceit".

Julian Smith: Of course I will. I think it is important—

The First Deputy Chairman: Do you withdraw that word?

Julian Smith: I withdraw that word, but I think it is important that we do not represent the Bill inaccurately. This Bill does not propose any expansion to selection in this country, beyond the terms embedded in existing legislation.

Glenda Jackson: How many Bills have been enacted in this place, the unconsidered consequences of which have created the necessity for this House to come back again and either write a new Bill or add an amendment to the existing legislation? To reassure the hon. Gentleman, I have been extremely public about what I regard as the intrinsic potential for huge damage in this Bill.

Robert Flello (Stoke-on-Trent South) (Lab): Does my hon. Friend agree that in rushing the Bill through with such haste precisely the danger she mentions arises because we are not scrutinising its measures properly and so we may end up with an Act that needs to be changed?

Glenda Jackson: That is an extremely salient point, and one is left wondering why the Bill has to be rushed through in such a short space of time. I personally have received no comfort from the Minister when it has been pointed out during this afternoon's debate that we are running into the long summer holidays and he has replied, "Well, work is going on and schools will open in September." We do not know which schools they are. I am secretly hoping that the Minister will, with the best will in the world and not because of his own individual failure, be proved wrong on this matter, as his Secretary of State was when he made his five varying announcements on which schools would or would not be in the Building Schools for the Future programme.

Graham Evans (Weaver Vale) (Con): May I ask the hon. Lady to clarify something? Did she pass the 11-plus?

Glenda Jackson: Somebody else who does not listen—you are not the listening party, are you?

The Bill's measures would take us back to a position to which we really should not want to return. As we all know, we are living in an ever more competitive world, and the greatest national resource we have is our people—their talent, their energy, their ability, their creativity. The future of this country is dependent upon our young people, and on our being able to deliver to them the best possible education, but it must be the best possible education we can deliver to all our children and young people, not just a selected, or selective, few. So I sincerely hope that the amendments that have already been presented will be accepted by the Committee, because this is the heart of the Bill and the Committee should reject the Bill as it stands.

Mr Graham Brady (Altrincham and Sale West) (Con): I am grateful to the hon. Member for Hampstead and Kilburn (Glenda Jackson) for giving me my cue, once again. She finished her remarks by saying that what is important is that we have the best possible education for all our children, and that is precisely why I have always been an advocate of academic selection. May I say to her—I hope that she will take this in the spirit in which it is intended—that there is always a danger in these debates of reverting to historical anecdotes about our own experiences? All too often, people look at debates about academic selection through a prism that is not the experience of people today in areas such as mine, which still have selective schools. The borough of Trafford has a model of diverse education, where the grammar schools are excellent and so are the high schools, a very large number of which are specialist schools that excel in particular areas.

We have moved a tremendous distance from the kind of world that the hon. Lady described, which was one of pass or fail. We have moved to a world where many people will choose to go to a high school because of its specialism and its very high academic attainment. My area achieves better results than leafier Cheshire does over the border. In fact, it achieves better results than any other part of the country apart from Northern Ireland, which also has a wholly selective system. As is well known, I am an advocate of that system.

Glenda Jackson: Surely the hon. Gentleman would also acknowledge that there has been an explosion across the whole country of parents buying additional educational facilities for their children at the point when they have to sit a selective examination, and not always in a secondary or a grammar school. That kind of pressure, which is being exerted on our children, is a pressure too far. We hear about that in respect of standard assessment tests. Why do we not hear about it in terms of the pressure on children whose choice of school must be via selection?

Mr Brady: As the hon. Lady well knows, there has also been an explosion in the practice of parents paying over the odds for houses in the catchment area of the better comprehensive schools, in her constituency and elsewhere. That is why the Sutton Trust found earlier this year that the better comprehensive schools are the most socially selective, not the grammar schools.

It is time that we had a more rational and open-minded debate. Hon. Members will have heard the exchanges that took place a few moments ago on the Bill's content and whether it would allow an expansion of selection. As I said in response to the hon. Lady's intervention on Second Reading, I only wish that it would. At the moment, although the Conservative Front-Bench team takes the view that parents should have more choice on the kind of schools that are available and that schools should have more freedom, it sadly still does not quite have the courage of its convictions to allow the choice to include academic selection where parents want it. I would like to see that additional choice allowed.

I oppose amendment 14, which is an attack on the remaining grammar schools, many of which, including those in my constituency, wish to become academies because they believe that they can benefit from the additional freedom that that will give them to flourish and excel. Of course, I wish to support amendment 43, which stands in my name and the names of some of my hon. Friends and at least one Labour Member. In speaking in support of amendment 43, I suppose I should start with a rare admission—

Mr Mark Field: Amendment 49.

Mr Brady: I am grateful to my hon. Friend, because I suspect that amendment 43 might have led me into all sorts of difficulties.

Mr Field: You might have been excommunicated for a start.

Mr Brady: My moral safety is now assured.

I expect broad support from hon. Members on both sides of the Houses on amendment 49, and I shall start my comments on that amendment with the unusual admission that I was once wrong in an education debate in the House. I am going all the way back to the Committee stage of the Bill that became the School Standards and Framework Act 1998, in which I opposed introducing ballot arrangements to continue grammar

[Mr Brady]

schools because I made the mistake of imagining that they were intended to be a route to abolishing grammar schools. It has become apparent, with experience and practice over the years, that those arrangements have been the greatest safeguard introduced by the Labour Government because there has been only one instance in which parents achieved the requisite threshold to trigger a ballot through a petition, and the proposal was then thrown out by an overwhelming majority precisely because grammar schools are immensely popular with parents. I was therefore mistaken in my earlier view.

The introduction of the ballot arrangements in 1998 was a great tribute to the then Prime Minister, Tony Blair, the former right hon. Member for Sedgefield. Many of us came to understand, much to our regret, that he had an unrivalled feel for the views and instincts of middle Britain. In that instance, he had correctly identified the affection and support that so many people have for grammar schools and he had identified the perfect mechanism for protecting both them and the then Labour Government from the opprobrium that would have resulted had any of them closed during the years of Labour government.

Mr Field: I suspect that, given his record in so many areas, the then Prime Minister was more guilty of cock-up than conspiracy.

Mr Brady: My hon. Friend is being uncharacteristically ungenerous; Mr Blair needs all the support that he can get right now given that some of his friends are not helping him much.

As the ballot arrangements were introduced by a Labour Government and have been nurtured and kept in place by Education Ministers throughout the period of Labour government, I am sure that the shadow Minister will support my amendment. I am also sure, given the very strong support that the Minister of State, Department for Education, my hon. Friend the Member for Bognor Regis and Littlehampton (Mr Gibb), has given to the continuation of grammar schools—he has also visited some of the excellent schools in my constituency—that the Government will want to reassure us that grammar schools are entirely safe under the Bill, and I look forward to hearing that reassurance.

During the general election, all four candidates in my constituency, which I think probably has the best state schools in the country, were to a greater or lesser extent supportive of the selective system. Even the Labour candidate was reasonably warm about grammar schools because he, like me, is an old boy of Altrincham grammar school for boys; perhaps that helped to condition his views on the subject. The Liberal Democrat candidate was strongly in support, and I hope that our coalition partners will follow suit and strongly support the grammar schools in the two Divisions on them this evening. The other candidate from the United Kingdom Independence party was also very supportive.

Ms Buck: Can the hon. Gentleman help me with one point? If grammar schools are, as he and other proponents of them claim, a route for high-achieving children from more deprived backgrounds, why do they have fewer children who are entitled to free school meals than other schools?

6.15 pm

Mr Brady: There are a number of reasons, but the principal one is that most inner-city grammar schools were sadly destroyed by misguided policy, so there are fewer grammar schools in the most deprived areas and they tend to survive—*[Interruption.]* No, I am responding to the hon. Lady's point. They tend to survive in the outer-urban and more rural areas. The reduction in grammar schools, particularly in London, where there are so few, has had another effect: they have become more selective over time. In my borough of Trafford, we select about 35% of that cohort to go to grammar school, but selection can amount to as little as 1% or 2% of the ability range at some London grammar schools.

Ms Buck: I understand the hon. Gentleman's point about the national statistics, but is he saying that, in Trafford, grammar schools have the same proportion of children on free school dinners as non-grammar schools?

Mr Brady: That would depend on the part of Trafford that one was in, and the figure would largely relate to the school's catchment area, but overall grammar schools have become more selective than they should have had to become.

I do not want to detain the Committee for long. The crucial point about amendment 49 is that it would protect the status quo not just of the excellent schools that are thriving and popular in their communities, but of their protection in current education legislation. If the amendment is accepted and those schools become academies, they will have the protection of a parental ballot, which will transfer with them and prevent any change in their status without reference to the parents. I hope that the amendment is uncontentious, and I very much hope that my Front Benchers warmly welcome it.

Vernon Coaker: Mr Evans, thank you very much for the opportunity to speak to some really important amendments that clearly arouse feelings among Members on both sides of the Committee. My hon. Friend the Member for Hampstead and Kilburn (Glenda Jackson) has left the Chamber, but in a very good speech she again outlined some of the differences between hon. Members on how to achieve the educational objectives that we all want.

Mr Mark Field: Will the hon. Gentleman give way?

Mr Iain Wright (Hartlepool) (Lab): He's only just started.

Mr Field: Well, my point is actually rather important, because many of us fundamentally differ in our objectives for the education system and in our feelings about what it is there to achieve. The hon. Member for Hampstead and Kilburn (Glenda Jackson) made a very impassioned speech, but we should not be fooled, because some of us have very different objectives. Some of us do not feel that an egalitarian and equal education for every single child is necessarily the right way forward. Some Government Members feel very strongly that, given the global world in which we will compete in the decades ahead, we should look at an elitist education in order to ensure that our brightest and best have the very best opportunities without having to rely upon the wealth of their parents.

Vernon Coaker: The hon. Gentleman and I have spoken on several occasions and exchanged pleasantries at debates not just in the Chamber, but outside, and I do not think that, when he reflects on what he has said, he will agree with himself—if I might be so bold. In my opening remarks I was essentially trying to say that everybody wants the best for the children of this country. We want them to achieve the very best that they can. Opposition Members believe in comprehensive education, and we believe that grammar schools are divisive. It is a caricature of our position to say that, therefore, we do not want young people to excel at something; that is not the case.

The issue is about trying different ways from those of the hon. Gentleman to ensure that every child has the same chance of achieving their educational objectives. The difference between us is that he sees the route to excellence, and an opportunity to be created, in a system that allows for grammar schools, and we do not see it that way at all. I would be surprised if his Front Benchers, who are also exercised about this issue, voted for amendment 49 along with the hon. Member for Altrincham and Sale West (Mr Brady).

In the continuing debate about grammar schools, we are debating a few schools rather than how we raise the standard and quality of education right across the system. I do not decry the desire of the hon. Member for Cities of London and Westminster (Mr Field) to ensure that all children achieve the very best that they can, and I hope that he would not decry me, or any of my hon. Friends, in terms of wanting that either. It is a difference of philosophy and view about how one achieves that. *[Interruption.]* With respect to the hon. Gentleman, if he reads what he said, I think he will find that that was not quite the point that he was making. If I am wrong, I apologise.

The amendments tabled in my name deal with exclusions and admissions. I should say at the outset, for the avoidance of doubt, that I wish to press amendments 23, 27 and 14 to a vote to test the opinion of the Committee. The amendments would ensure that independence for academies does not mean an ability to select covertly and to exclude more easily. That is particularly relevant now that we have this changed academy model. As hon. Members who have sat through a few hours of this debate will know, that is one of the principal points of difference. We are not opposing academies per se, but we see this particular model of academy as different. Hundreds of outstanding schools are now eligible for academy status.

One of the interesting points, which changes the whole dynamic of the debate, is that when we look at schools that are applying to become academies as opposed to those that are already academies under the existing model, we see a completely different version of the academy profile. According to a study published this month by the Centre for Economic Performance, schools that have expressed an interest are, unlike the current academies, characterised by having a more advantaged pupil population, lower proportions of free school meals, lower numbers of pupils with special educational needs, lower numbers of pupils with ethnic minority status, and superior levels of GCSE attainment. That is an important difference to reflect on when we consider the Bill in this context. We believe it is necessary to consider how we change some of the provisions in the Bill to deal with that changed situation.

Mr Gibb: Is it not an indictment of 13 years of Labour Government that outstanding schools are disproportionately in areas of affluence? That is the best example of that Government's track record that could be revealed, and the hon. Gentleman has revealed it to the Committee.

Vernon Coaker: That could be a debate that the hon. Gentleman will want to have another time. The context for this debate, though, is to consider the changed profile of schools that wish to become academies as opposed to the profile of schools that are already academies. We are debating a different situation in which those academies, through a funding agreement rather than through statutory legislation, now have to abide by various things such as admissions codes, exclusions and so on. That is the point that we are making about the genuine difference between these two sets of the schools and the need for some of the amendments that we have before us.

Ms Buck: Is the Minister not wrong? There are actually cases in which two schools serve the same neighbourhood and one has a dramatically lower number of children on free school dinners, on School Action Plus or with special educational needs than the other, which is only a few hundred yards away. Neither school is situated in a more affluent area; they simply have different intakes. That shows that something else is going on in their admissions policies.

Vernon Coaker: Such a difference in intake is certainly true in many cases. As my hon. Friend the Member for Hampstead and Kilburn pointed out, it is also crucial for us to understand the difference between the profile of pupils at the new academies that the Government intend to set free and give all sorts of freedoms to, and those at the existing academies. The study by the Centre for Economic Performance is extremely important in that respect.

Robert Flello: Does my hon. Friend understand my concern that at the moment, not just in Stoke-on-Trent but more widely, there are young people in the education system, such as those on the autism spectrum, who have undiagnosed conditions and who have problems in school? Under the Government's proposals, they will be much more readily kicked out of their schools, whereas they should be getting more support and help in them.

Vernon Coaker: That is absolutely the case, and people are concerned that schools that are already fairly exclusive in many respects may not wish to admit pupils of that type.

I shall give an example of how difficult the matter is, and I hope that the Minister will comment specifically on it. The Government's view is that none of our suggestions needs to be on the face of the Bill. We fundamentally disagree, hence the amendments that we have tabled. We do not believe it is enough for the admissions provisions to be set out simply in the funding agreements. One of the most fundamental changes that I can find in annexe A of the draft funding agreement, on admissions—I am sure there are many others—relates to the annual procedures for determining admissions arrangements. In the current model agreement, the relevant annexe contains detailed provisions with which

[Vernon Coaker]

an academy has to comply in order to remain within the terms of the funding agreement. The proposed draft completely removes those provisions.

Somebody cynical would ask why, when the Government are seeking to reassure Members throughout the House who want a fair admissions process, the Minister or the Department has signed off a model funding agreement that removes some of the detailed provisions on admissions.

Mr Gibb: What we are trying to do across government at the moment is reduce the bureaucratic burdens faced by the public services. However, the model funding agreement still applies the law on admissions, as well as the admissions code and admissions appeal code, to all converting academies. It achieves exactly the same effect as before, and academies will be on exactly the same basis as maintained schools when it comes to admissions. We can achieve that with fewer words.

Vernon Coaker: The question to the Minister is therefore why he does not put that in the Bill.

Mr Gibb: For the same reason the hon. Gentleman did not put such measures in legislation for the 200 academies over which he presided—it is not the model that we are working to.

Vernon Coaker: The model that the Minister is working to is one that will lead to a massive expansion in academies right across the country, not just 200 at secondary schools in areas of social disadvantage and educational underperformance. The new academies will be outstanding schools that are already doing well and are socially advantaged, and that have a totally different profile from existing academies. At the same time as Members throughout the Committee are raising concerns about what the impact of that will be on admissions to the new academies, the Minister weakens the model funding agreement. Those things are tucked away—they are not deliberately hidden—in model funding agreements. We need to compare funding agreements, as I will with respect to exclusions, but significant changes in provisions are included in them.

6.30 pm

The Minister has tried to offer a justification, but will he say what other differences there are in the model funding agreements on admissions between what existed and what happens now? Why have those changes been made, and why should we be reassured simply by his words on changing the model funding agreement, which is the legally binding contract between the Secretary of State and the school that becomes an academy? Even if the Opposition agreed with the Minister's policy, which we do not, would it not have been better to have reassured people by ensuring that the various things that have been taken out of the model funding agreement were kept in?

Graham Evans: Much of the debate has been on schools in areas of social deprivation and selective schools, but what about the middle ground, such as schools in my constituency? Mid-Cheshire towns have areas of deep social deprivation—not quite the same as in cities—but also prosperous families. When they are brought together, we end up with good rather than outstanding schools. Does the hon. Gentleman not see that the Bill will help good schools that are under-achieving? Under the Bill, all sections of those communities could come together to achieve the outstanding excellence that we all want.

Vernon Coaker: In fairness, the hon. Gentleman makes a reasonable point on the need to concentrate not only on outstanding and failing schools. He is right to point that out. It would have been perfectly possible to develop Labour's academies model to deal with schools in the middle—I will not call them coasting schools. Similarly, that is why our model contained provisions for all-through academies. It was sometimes a matter not of the secondary school alone, but of linking the primary and secondary schools. That is important.

The reason why the Opposition are opposed to the way in which the Bill is constructed is that it does not consider the need for academies or where they can bring added value to schools in an area, but says that they are the only solution. National challenge trusts, a change of head teacher or the injection of new staff to a school could make the difference rather than structural change, as I have seen in different parts of the country. One flaw at the heart of the Bill, to which we will doubtless return when the Government introduce their Bill in the autumn, is that they have made the mistake that people always make of believing that structural change brings improved performance in schools. Sometimes such change creates the opportunity for change to take place, but essentially, what ultimately makes the difference, whether in a local authority school, a national challenge trust or an academy, is the quality of leadership and teaching in the school, not structural change.

Good schools deserve help and support, and the hon. Gentleman was right to point out that we need better to understand how we get that injection of pace and inspiration into them. I do not think that that is necessarily brought about by structural change, particularly the structural change enabled by the Bill, which does not include a requirement on outstanding schools to link to or partner other schools. That is an aspiration and a desire—

The First Deputy Chairman of Ways and Means (Mr Nigel Evans): Order. We are straying somewhat from the amendments we are discussing on admissions and exclusions. There is a lot to be debated this evening in a short space of time, so could the shadow Minister please restrict himself to the amendments?

Vernon Coaker: I apologise to you, Mr Evans and to the Committee. I was trying to answer the hon. Gentleman fully, but perhaps my reply was too full.

The Local Government Association, along with many charities, says that a provision that academies must comply with the admissions code should be in the Bill, hence proposed amendment 23.

Amendment 14 would effectively prevent grammar schools from becoming academies. We are worried that grammar schools becoming academies will lead to an increase in selection in the academies arena. Will the Minister explain whether it would be possible for a grammar school with 1,000 places that had become an

academy to expand to 1,500 or 2,000 places? Will he also explain what, if any, influence in terms of selection a grammar school that had become an academy would have if it were to link up with a weaker school? What effect would its selection policy have on that other school?

Will the Minister also explain what Lord Hill meant when he wrote that the Government intended to allow selective academies to expand where there was a strong case for doing so and where there had been local consultation? It is important that we understand what he meant by that.

On exclusions, amendment 27 seeks to ensure that the current legal framework would apply to the new academies, to the extent that they would have to conform to the existing codes that schools have to conform to at the moment. One piece of evidence from the equalities impact assessment shows that the overall rate of exclusions is higher in academies than in local authority-maintained secondary schools. How does the Minister expect to keep track of that and understand how it is all working? How can we ensure that pupils with special educational needs, and pupils who are less academic or who are difficult, are not excluded from a school simply to preserve the school's examination standing?

In annex D, we can see that changes have been made to the model funding agreement. Paragraph 3 used to state:

"Subject to the exceptions in paragraph 4, the Academy Trust shall ensure that in carrying out their functions the Principal, the Governing Body and the Independent Appeal Panel (established in accordance with paragraph 5) have regard to the Secretary of State's guidance on exclusions, as if the Academy were a maintained school."

That has been changed to:

"Subject to the exceptions in paragraph 4, the Academy Trust shall ensure that in carrying out their functions the Principal and the Governing Body have regard to the Secretary of State's guidance on exclusions including in relation to any appeals process as if the Academy were a maintained school."

Can the Minister explain why the independent appeal panel has been removed from the model funding agreement? Or is that of no consequence?

Mr Mike Hancock (Portsmouth South) (LD): The hon. Gentleman is quoting the statistics of the exclusion rates in the 200-odd academies set up under Labour. What was his plan to bring those academies back into line? Why were they excluding so many pupils, and what action was his Department planning to take?

Vernon Coaker: The Department was planning to have discussions with all those academies, and with their sponsors, to try to understand why those exclusions figures were as they were, to see what we could do to reduce the numbers, and to accept it as a difficulty. The Bill proposes a massive expansion of academies to include outstanding schools, and they will only be asked—not required—to partner schools that are in difficulty. Given that the Government refuse to put these issues on the face of the Bill, one can only wonder what this will mean for exclusions and admissions. If the hon. Gentleman does not believe that they should be included in the Bill, how does he expect them to be monitored and academies to be held to account?

Mr Hancock: I do not have a problem with what is in the Bill because I will be voting against it anyway. However, given all that the hon. Gentleman said the previous Government were doing to encourage schools to be more understanding about exclusions, why did the number of exclusions continue to rise?

Vernon Coaker: As I said, what happens is that a problem is identified and an attempt is made to deal with it. It became apparent that there were a number of exclusions, and I could have stood here and not drawn attention to that, opening myself up to exactly the point that the hon. Gentleman has, correctly, made. The rate of exclusions in academies was too high, and we wanted to do something about it.

It is clear that one way to deal with that issue is to include in the Bill a requirement to conform to measures such as admissions codes and the legal frameworks laid out on exclusions. In doing so, we would give much more legislative clout to achieving the things we want to achieve. I have given examples—the changes to the model funding agreements on admissions and on exclusions—that demonstrate that the Government are saying, "Trust us, we will do all this through the model funding agreement." Through these amendments, I and my party are saying that we do not believe that that is sufficient and that such a provision needs to be included in the Bill, which is why we tabled these amendments.

Gavin Barwell: The hon. Gentleman is trying to make the case that the exclusion rates are higher in academies, and is comparing them with the whole of the maintained sector. Is it not true that research published by his Department when he was a Minister showed that exclusion rates in academies are no higher than the average rates for their local authority areas?

Vernon Coaker: I was quoting earlier from point 20 in the equalities impact assessment.

Let me try to make some progress. This set of amendments is extremely important. Allowing outstanding schools to fast-track to becoming academies raises all sorts of questions and concerns right across the Committee. What will it mean for admissions? We are told, "Trust the funding agreement." What will it mean for exclusions? We are told, "Trust the funding agreement." Grammar schools are to become part of the academy world. We are told, "Don't worry, it won't mean more selection. Don't worry, it won't mean more selective places."

It is clear from the answers we have been given and the evidence before us that grammar schools becoming academies will lead to more selection. It is clear that, without its being made explicit in the Bill that there is a requirement to abide by the various codes and the legal framework in respect of exclusions and admissions, over the next few years we will see an expansion of selection and of exclusions from the intakes into certain schools—or, more likely, non-admittance—and a more socially exclusive education system. We all want increased attainment and our young people to achieve the very best they can, but we cannot do that by creating what this Bill in effect creates at its heart: a two-tier education system.

Mr Mark Field: I will not detain the Committee for long as I know we have a lot more business to get on with. I want to speak to amendment 49, which is in my name and those of my hon. Friends the Members for

[Mr Mark Field]

Sevenoaks (Michael Fallon), for Altrincham and Sale West (Mr Brady) and for Epping Forest (Mrs Laing). My hon. Friend the Member for Altrincham and Sale West went into the amendment in great detail, and I agree with every word that he had to say.

In many ways, ultimately this is a philosophical debate that fires up many of us. We have all had our own experiences, and I was sorry to learn from the contribution of the hon. Member for Hampstead and Kilburn (Glenda Jackson) that she has only negative thoughts about her admission to a grammar school. I am the product of the grammar school system, although I must confess that I cannot even remember the day I got in. However, I do remember various episodes while I was there that allowed me to aspire to the university place that my parents could never aspire to, and to aspire to running my own business, becoming professionally qualified and eventually becoming a Member of this House.

That was an opportunity for me, because my parents could not have afforded to send me to one of a range of independent schools within a few miles of us. I do not suggest for one minute that my experience was of an entirely open school, but there were people attending the school who lived in social housing. An element of selection is a healthy aspect of the choice that should be available to all parents, and to children of all abilities, in our society.

6.45 pm

It is perhaps slightly paradoxical that in this set of amendments, we are dealing with both admissions and exclusions. My biggest criticism of the Bill is that the one real freedom that would have given diversity of provision has been expressly forbidden. Under the Bill, schools cannot determine their admissions procedure, beyond the relatively limited allowances that are made for academies. I would like there to be much more freedom to ensure a genuine sense of accountability. My party leader has said many a time that he wants to give people more responsibility, and that if one trusts people, they tend to do the right thing. When it comes to the education of children, we should look to trust parents to make rather better decisions than the state might necessarily make on their behalf.

I hope that the Government will give serious consideration to what we propose. Amendment 49 is a minor amendment that simply retains for grammar schools the safeguard of balloting parents if a school is to make the change from grammar school to academy. I hope that we will robustly oppose amendment 14, as it represents a retrograde step.

Dr Pugh: Speaking for the non-secular wing of the Liberal Democrats, I should like to say a few words about amendment 42. It appears to narrow the range of schools that can become academies. I think that the Roman Catholic Church has cautioned governors against the Bill, which would have a big impact in areas in Merseyside and Lancashire such as the one that I represent. I tire of hearing people in this place make generalisations about faith schools that are based purely on the north London experience. A person does not need to struggle to get into a faith school round where I live.

People may recognise that I have a somewhat diminished enthusiasm for this legislation. The academy project, whether in its Labour or coalition form, does not fill me with any great glee. I regard it as something of a sideshow, as an extravagance—possibly expensive—and as a distraction from improving standards across the board.

It is interesting to note that in his amendment, my hon. Friend the Member for Cambridge (Dr Huppert) wants to put into law what the archdiocese commands; I do not know whether that will please him, but that is, in effect, what he is doing. Looking at that amendment, a priori, there is no good argument for not having a faith academy that would not equally apply to not having a faith school. It would therefore seem rather mean to discriminate against faith schools at this time, albeit that I regard it as a boon to faith schools not to be academies.

The real argument against faith schools becoming academies seems to me to be as follows. Contrary to what people say, faith schools are often deeply rooted in their communities, and they should not disregard the disruptive effects on wider local authority provision. They should be mindful always of the community effect. That being said, if a religious community both educated and enhanced specifically religious objectives, it is right, as under the Butler Act, that that should be reflected in some way in the funding agreement. It is not obvious that that is done in the Bill, or that the Blair academy project did that. Equally, having settled for academy status and funding, it would be wrong for a school to adopt faith school status retrospectively; I think that we can agree on that. That, I think, is what amendments 43 and 44 seek to prevent, so compared with amendment 42, they are relatively innocuous.

Another consideration that swings me against amendment 42 is my own experience. Eleven of the best years of my life were spent teaching in a faith comprehensive school in Bootle, in an extraordinarily challenging environment. It was a school with a Salesian foundation, run by the Salesian order. The headmaster was a priest, the ethos was fantastic, the dedication considerable, in a very, very difficult environment. Staff never stinted on their time and the head timetabled himself to teach remedial maths to the fifth year and the upper school. When he stepped down as head, before he finished his career—this was a man who was a very distinguished scientist and writer—he continued to teach remedial maths to children whom many teachers would not give much time to in the first place. I have never seen the like, but it ought not to surprise one when one recognises that that order was founded by someone called St John Bosco, who started his schools in industrial Milan, with the vocation of schooling the deprived and transforming their lives.

I could almost be reconciled—the Minister might be delighted to hear—to the anarchy of free schools if I thought that a lot of St John Boscos and Salesians were ready in the wings, waiting to deal with children in environments where people had given up or were terminally demoralised. Sadly, my overall view is that that is not the case. But the free school project would be almost bearable if there were such people and what they were doing could be aligned with the overall social good of the community, if education could be provided that was not just a cloak for indoctrination and if there was a

capacity to manage the full curriculum. Then the free school project would have a really noble basis in reality. Sadly, the people queuing up to start free schools are not in that category and do not, in many cases, turn out to be saints.

Mr Ward: We are all fashioned on the anvil of experience, and I bring to this debate my own experience. On Second Reading I mentioned the crucial situation of schools being judged or assessed on their attainment, which is then reflected in league tables. A little earlier the Minister attacked the former Labour Government's record, saying what a shame it was that all the successful schools were in affluent areas, and was not that an indictment? Of course they are mainly in affluent areas because of the crucial importance of intake and the link, to which I have drawn attention in other speeches elsewhere, between attainment and levels of deprivation. The issue of admissions is at the heart of the Bill for me, more than anything else. Freedoms of the curriculum, freedoms in staffing and control of staffing budgets, I am okay with. I opposed the academies of Labour, and I oppose these academies for the same reasons. There are other ways of bringing about improvements in schools.

What concerns me is my experience over nearly 30 years of what schools actually do. Amendments have been tabled saying that schools must comply with the provisions of the schools admissions code. I know what schools that are already subject to that code do now, and we can understand why. I have mentioned the league tables. Schools want to succeed and to be seen to succeed, and parents want the very best for their children, so wherever possible they go to whatever lengths are needed, legally—moving home—or in some cases, illegally, to get their children into the schools that are doing well in the league tables.

I have often heard of the importance and ethos of faith schools. Frankly, to hear people talk about the special ethos of faith schools makes me quite angry, because it is a slap in the face for all those other non-faith schools that have a fabulous ethos, are loving and caring, and provide a good education for children. It is an indication of the importance of league tables, even to faith schools, that although a faith school might say that it will totally disregard school league tables, that it does not care if it is bottom of the league, that it will open its doors to absolutely everyone and take the children that other schools do not want, it does not do that, because it knows that at the end of the day it will be assessed upon the performance of the school in the league tables, and that is so heavily dependent upon the intake. I have chaired admissions forums. It is very difficult when the area includes faith schools, foundation schools, city technology colleges and so on. In effect, there were six different admission authorities, all appearing at the admissions forum, and it was very difficult to achieve co-ordination on admissions with those schools.

The pressure on schools means that good people do bad things—it is only human nature—and I have countless examples of that. When I chaired the admissions forum, a foundation school applied to change its admissions criteria—we could not stop it doing so—to use stanines and banding. I respected the head teacher, but we argued about it. I was the only one to vote against the change and, as it transpired, we could not really have done anything to stop it. I understand why the head teacher was seeking to overcome the problem of having a catchment area of only 10 or so streets. The Minister talked about successful schools, but this school was in the top 20 for its contextual value-added score of 1,040. That was a remarkable result, but the school was also in the national challenge. That head teacher knew that whatever the school did in raising achievement, it would still have a stubbornly resistant attainment record until it changed its intake, and it therefore went ahead and did so.

I am desperately seeking not just assurances, but guarantees of the fairness of the admissions of these new schools. I am very concerned that the Bill describes the characteristics of schools that may become academies as providing

"education for pupils who are wholly or mainly drawn from the area in which the school is situated."

My understanding of "wholly or mainly" is that it means more than 50%, so 49% could come from outside the area. Another characteristic is that

"the school provides education for pupils of different abilities".

That may have been changed, but I thought that we were talking about all abilities.

There are some good aspects of academies, but if they are so good and important why do we not make the freedoms they will have available to all schools? I seek guarantees of fair and open admissions policies and an undertaking that this Bill does not represent the opening of the door to more selection.

Several hon. Members *rose—*

The Second Deputy Chairman of Ways and Means (Dawn Primarolo): Order. It may be helpful to remind the Committee that the Chair is not obliged to call Members who have not been in their place for the majority of the debate.

Mr Mike Hancock: I apologise for not being here for the whole debate, but I was at a Defence Committee meeting for most of it. I apologise to the Minister and the Opposition spokesman.

I am concerned by this Bill. I am disappointed that Labour has not thrown its weight behind the coalition's proposals for academy schools, because that would have been a more honest approach, given that the Labour Government started this. I am still opposed to the proposals: I opposed Labour's proposals and I oppose these ones.

I declare an interest in that I am still a member of Portsmouth city council and I have been a member of the LEA in one way or another for the past 40 years. I never personally felt that there was too much wrong with the LEA having responsibility for schools. In my experience, in the old county borough before the 1974 reorganisation, Portsmouth did a good job. Hampshire county council, of which I was the leader, also did a very good job for education, and now that the city council has the responsibility again it is doing its best.

7 pm

There is a chartered academy faith school in the city of Portsmouth. It was not something that I favoured but, despite the fact that I am against academies, I have

to be honest and say that there has been an amazing transformation. In a very short period, a really committed head teacher and staff have been able to start turning around what could only be described as an appalling, failing school. With great regret, it could not get itself out of the mess it was in, and perhaps—just perhaps—its emergence as an academy was the one thing that prevented it from being closed once and for all. I wish the school all the very best.

My problem is that I know from the LEA what admissions policies are like. The popular schools are forever competing. We all have stories about how people will manifest themselves in different addresses simply to get their child into a school. The success, or otherwise, of an academy will become a magnet. I have no way of knowing, because the terminology in the Bill is so vague—it refers to pupils who are "mainly" from the area closest from the school—whether, if the 51% quota is met, other pupils from other areas could fill any surplus places to the detriment of children who might still be living in the catchment area but do not have the academic record that the school wants.

I would be pleased, therefore, if somebody could explain the procedure to me. Who takes up the challenge on behalf of the children excluded from an academy—the ones who never got a place in the first place—despite living close to the school? The big problem that we faced time and again, in a restricted geographical area with a large population, was with people trying to select schools in and around Portsmouth. I do not envisage that being easily dealt with by the Bill. I want every child to be given every opportunity to achieve their full potential. We all want that. It is not a unique stance; it is a common stance for anyone who cares about the future of our country and of our children.

I have yet to be convinced that academies offer fair and equal opportunities to children; and I have yet to be convinced that taking education away from locally elected people, through the LEA, is the best option for the overall governance of education policy. No one, including during the past 13 years under Labour, has yet put forward a convincing argument for that. The only two occasions when Mr Blair got close to hysterical about anything were the Iraq war and academies. Nobody could have been pushier than he was. I do not know who finally trod on his foot and said, "Slow down!", but to have achieved 200 academy schools will have been a great disappointment to him, because he would have liked a lot more.

What damage has been done to the other schools in the area? Has any real analysis ever been done of the effects on other schools in areas where a successful academy has emerged over the past five years?

Damian Collins: In Folkestone in my constituency, since the launch of the Folkestone academy, results have improved not only at that school but in all the others at secondary level in the town. The improvement at that school has certainly not been to the detriment of others in the same catchment area.

The Second Deputy Chairman: Order. We are not having a Second Reading or general debate on academies; we are debating amendments on admissions and exclusions, so I would be grateful if Members could stick to those points.

Mr Hancock: The point I was trying to make was about the unfairness of a policy that is so loosely written and can so easily be misinterpreted to the detriment of children who will be refused places in academies, particularly the successful ones. I am concerned about, and frustrated by, the idea that people can vote for this legislation believing that it will provide equal opportunities for all children to go to the academy of their choice. It manifestly will not do that, and there is nothing to safeguard their interests if they fail to get a place. That is the real concern and why I cannot find it in my make-up to support the Bill. I will be supporting the amendments, because they go some way to improving what I consider to be a bad Bill. Otherwise, I would simply ignore the amendments, and vote against them and the Bill. However, if the Bill is going to be carried, I would like it carried with at least some amendments that actually improve it.

Mr Andy Slaughter (Hammersmith) (Lab): Having listened to the whole debate, I wanted to make just one or two comments on the issue of selection. I pay tribute to the hon. Member for Portsmouth South (Mr Hancock) for the consistency that he has shown, and to the hon. Member for Cities of London and Westminster (Mr Field) and other Conservative Members who were at least clear in saying that they believe in selection. The attitude that I find most difficult to deal with is that of Opposition Members, whether Liberal Democrat or Conservative, who are pretending that the Bill does not aim to produce exactly the kind of division and increase in selection and exclusivity that my hon. Friend the Member for Hampstead and Kilburn (Glenda Jackson) so eloquently described.

Indeed, what my hon. Friend described is already happening. For example, this morning I met the head teacher of a new academy that is being built in my constituency. I have always had an ambivalent attitude to academies, in the sense that I do not have an ideological opposition to them—hon. Members might be surprised to hear that—if they work. The project of producing schools in deprived areas to increase the level of attainment in those areas is one that I have supported, and I do not really care whether they are called academies or not. However, I can say one thing. The two academies in my constituency, which are Hammersmith academy in Shepherds Bush, which is under construction—at a cost of £30 million—and Burlington Danes academy, which was praised by the Secretary of State earlier this week, at least have the benefit of £50 million of capital investment, which is something that none of the other schools in my constituency will have.

However, even with just those academies, which were built under the previous regime, the aim of my Conservative local authority is already to increase selection and exclusivity. The question put to the head teacher this morning by a group of Muslim community leaders with whom I met him was why, when the boundaries of the admissions area for the new academy were drawn, the line stopped only a few yards north of the academy, excluding the most deprived parts of my constituency and most of the black and minority ethnic population, but extended a couple of miles south, to include the most prosperous and least ethnically diverse parts of my constituency.

If that is the type of manipulation that is already happening under the current system, when we have that extra ability to affect intake, in the many ways that it

can be affected, whether through existing selective schools or not—and we will have that ability, if the Bill is passed with the haste in which we are taking it—we will have a recipe for divisiveness, particularly in areas of inner London such as the one that I represent.

Mr Mike Hancock: The hon. Gentleman says that he has two academies in his area—one already there, and one under construction—but I would be grateful if he could tell us what the admission policies of the existing schools in his area are. Are those schools full to the gunwales? Do they have a problem now? What does he estimate the situation will be in a year or so, when the second academy comes on stream? What will that do for the other schools and their problems of attracting pupils?

Mr Slaughter: The hon. Gentleman anticipates the point that I was just about to make. The new academy is not opening until next September, but one of the things that the prospective head told me this morning was that there will be a special form. In addition to selecting priority places, which will be limited for that school—and that school only—to a primary admissions area, there will be an additional form to fill in, because the anticipated demand will be so great.

I should say that most schools are now over-subscribed. There is a shortage of schools, although two other factors bear down on the increasing stratification—if not selection—of schools in areas of inner London. One is the profusion of voluntary-aided schools. In response to a point made earlier, let me say that three of the voluntary-aided schools in the London borough of Hammersmith and Fulham have intakes eligible for free school meals of 2%, 2% and 6% respectively, whereas the figures for the community schools are 30%, 40% and 50%. That degree of division has now become institutionalised.

The other factor relates to the choices that schools make. The point was wrongly made—by the Government Front-Bench team, I believe—that there are too many outstanding schools in affluent areas. Well, the two community secondary schools in my constituency—the Phoenix high school, which has one of the most deprived intakes of any school in the country; and the William Morris academy, a sixth-form college of which I am a founder and governor—both have a hugely deprived intake. Both those schools are outstanding—and there are many more such outstanding schools with deprived intakes—and they have chosen not to go down the academy path. Other than one primary school, no school in my constituency has chosen that path. The reason why the heads, the governors and the teachers of those schools have made that decision is that they wish to maintain their open outlook and their inclusivity. They do not wish to be browbeaten or driven into becoming this new type of academy.

Whether it be through choice, types of selection, religion, geography or the ease or difficulty of application, inner London already has many problems achieving what other hon. Members have identified as a wonderful balance, control and integration of diverse communities. The proposals in a Bill such as this will have only one effect: they will create social divisions, class divisions and racial divisions within communities. I believe that in putting this Bill forward, the Liberal Democrats—with some exceptions—and the Conservatives well know that they will achieve exactly that.

Mr Gibb: This has been a wide-ranging debate, touching on the education shibboleths in all political parties. The amendments cover issues relating to admissions, selection, faith and exclusions. The majority of these amendments would place in the Bill requirements that have been regulated by funding agreements since the inception of the academies programme—in other words, they would increase regulation for academies.

It was the position of the previous Government that academies should not be regulated directly by legislation, but through their funding agreements. We agree. The whole focus of the Bill is to allow more schools to take on academy freedoms and we simply do not agree that it is appropriate to undermine that intention by incorporating into the legislation a host of additional requirements to which academies have not previously been subject.

Amendments 11, 12, 13, 19 and 23 would build into the Bill a duty for academies to comply with the school admissions code. Amendments 19 and 27 would place on the face of the Bill requirements in relation to exclusions and behaviour, including participation in behaviour partnerships. The previous Labour Administration did not deem that necessary for the 203 academies they opened. Why should we do so in expanding the programme?

Academies must already comply with admissions law and the codes through their funding agreements. Their funding agreements also require them to act in accordance with the law on exclusions as if the academy were a maintained school, and to have regard to the Secretary of State's guidance on exclusions. This is the same wording that applies to all maintained schools. The new model funding agreement is in the House Library and it is clear from it that academies are required to adopt admissions policies and arrangements that will be

"in accordance with admissions law and the DfE Codes of Practice as they apply to maintained schools."

The exclusions annexe to the funding agreement also requires academies to

"act in accordance with the law on exclusions as if the Academy were a maintained school"

and to

"have regard to the Secretary of State's guidance on exclusions".

Amendment 24 has a similar intention in that it seeks to make it a statutory duty for academies to take part in their local in-year fair access protocol. Fair access protocols are established by the local authority and the requirement to take part in them is set out in the school admissions code. Since participation is a requirement of the code, it is applied to academies in the same way as other aspects of the admissions code, through the funding agreement. This means that academies, along with all maintained schools in a local area, will take their fair share of hard-to-place pupils, including those previously excluded from other schools. The funding agreement is crystal clear about the compliance requirements. The amendments are, therefore, unnecessary.

7.15 pm

Hon. Members have also tabled amendments to probe our intentions on academic selection. Amendment 14 would require any existing maintained grammar school or partially selective school to remove its selective arrangements on conversion to academy status. The Bill

is not about increasing or removing selection. We believe that the freedoms that academy status brings will not only benefit struggling schools but enable outstanding and other schools to improve standards for their pupils.

Mr Mike Hancock: Will the Minister explain the position on excluded children? He has intimated that academies will be expected to take a quota of excluded children. Does that mean excluded or difficult-to-place children in the school's normal catchment area, or a general quota of children who are difficult to place in the local education authority area?

Mr Gibb: They will be subject to the same fair access protocols that have been agreed by other schools in the area. The position will be no different from the one that existed before the school became an academy.

It seems unreasonable to deny existing selective schools freedoms, or to require them to change their nature fundamentally before being granted those freedoms. For clarification, we are not allowing non-selective schools to begin selecting by ability; we are merely facilitating a change in status for existing maintained schools, including those with academic selection.

Vernon Coaker: Will the Minister comment on Lord Hill's letter, in which he says that grammar schools will have the ability to extend selection?

Mr Gibb: I will deal with that, but I want to respond to all the points in order.

My hon. Friend the Member for Altrincham and Sale West (Mr Brady) tabled amendment 49. I pay tribute to him, not just because he is chairman of the 1922 committee, and therefore chief of the men in suits, but because of his highly principled support for grammar schools in his constituency and elsewhere in the country. I was hugely impressed by the quality of education in Trafford. I visited Wellington high school, which has GCSE results that many comprehensive schools throughout the country would envy. From memory—I visited the school a few years ago—67% of pupils gained five or more GCSEs including English and maths, and that school had experienced 40% of the most able children going elsewhere. I also visited Ashton on Mersey school, which is exemplary, as well as Trafford grammar school for girls, which impressed me.

Amendment 49 would directly apply sections 105 to 109 of the School Standards and Framework Act 1998 to wholly selective academies. That legislation governs the mechanisms for removing selection from maintained grammar schools either through parental ballot or by the governing body introducing proposals to remove selection. Neither the grammar school ballots legislation nor current provisions that allow governing bodies of grammar schools to introduce proposals to remove selection apply to academies. We do not believe that that means that academies have fewer protections than maintained schools when removing selection is an issue. Indeed, one could argue that the ballot mechanism gives parents a route to removing selection in maintained selective schools. I listened to my hon. Friend carefully, and although the amendment might protect selection when that is the wish of parents, we do not believe that it could necessarily frustrate statutory proposals to remove selection that the governing body of a maintained selective school made. He knows that the ballot process has a high trigger threshold, requiring a petition from at least 20% of the eligible electorate.

The Government's arrangements for academies are a more significant protection of the ethos of any school, including selective schools. I want to go into some detail about that because it is important. Outstanding schools that convert will essentially be self-sponsoring. That means that existing governors will become the new academy trust. In the case of a foundation school with a foundation—a grammar school with an ancient foundation—that converts to academy status, the foundation will be responsible for appointing the majority of governors on the governing body of an academy, a greater proportion than currently exists in a maintained school. That will make it possible for the foundation to maintain the academy's ethos, including its selective ethos, over an extended period.

Mr Mike Hancock: Will the Minister give way?

Mr Gibb: I will in a moment. This section of my speech is fairly technical, and I want to finish it before I give way again.

A similar arrangement would apply in the case of a foundation school without a foundation—in other words, a grammar school that is essentially a community school. The current governors would decide on the members of the academy trust. The members would be responsible for appointing a majority of the governors to the governing body by electing members who are committed to a selective ethos. That ethos would be maintained over time, because—in theory and, I suspect, in practice—they would appoint a majority of governors who were similarly committed. We are nevertheless committed to ensuring that the same rights are afforded to parents, and the same rights and protections are afforded to grammar schools on conversion, as were enjoyed while the school was a maintained school.

I hope that that reassures my hon. Friend to some extent. No doubt he will intervene, either now or later, if he needs further reassurance.

Mr Brady: I am greatly reassured by the tone of what my hon. Friend has said, but it is not entirely clear whether he is giving me an assurance that the ballot arrangements will be introduced at a later date, or whether he is suggesting that other protections might be introduced.

Mr Gibb: What I am suggesting now—it is as far as I can go at this stage—is that we will include the provisions in the funding agreements of academies. That will provide strong protection—as strong, in effect, as it would be if the measures were on the statute book.

Mr Brady: Is my hon. Friend saying that if a grammar school transferred to academy status, it would not be able to vary its selective admissions under the terms of the funding agreement without the support of a parental ballot?

Mr Gibb: According to my understanding, that is correct. All the protections that currently apply under the ballot procedure would still apply. If for some reason the governing body of a selective academy sought to change its status as a selective school, the funding agreement would require a ballot of parents to be held before that provision took effect.

Mr Brady: I am very grateful to my hon. Friend for giving way a third time. He has been immensely helpful, and I think that that final reassurance will be of great help to the many excellent grammar schools—including many in the borough of Trafford—that are keen to proceed with seeking academy status. It is certainly sufficient to persuade me not to press amendment 49 to a vote.

Mr Gibb: I am grateful to my hon. Friend. I hope that I can be equally successful with other hon. Members.

Amendment 24 has a similar intention, in that it seeks to make it a statutory duty for academies to take part in their local in-year fair access protocol. Fair access protocols are established by the local authority, and the requirement to take part in them is set out in the school admissions code. Since participation is a requirement of the admissions code, it is applied to academies in the same way as other aspects of the code, through the funding agreement. That means that academies, along with all maintained schools in a local area, will take their fair share of hard-to-place pupils, including those who have previously been excluded from other schools. The funding agreement is crystal clear about the compliance requirements, and the amendments are therefore unnecessary.

Mr Mike Hancock: I am fascinated by the concept that certain processes will enable a grammar school that becomes an academy to manoeuvre around the selection rules. According to the Bill, the majority of pupils will come

"wholly or mainly... from the area in which the school is situated."

That could be a very successful grammar school currently drawing its pupils from a wide area. Would the criteria be the same for an existing grammar school that becomes an academy, or would there be a specific designation? Would they be treated the same as any other school, consequently losing quite a number of pupils because it will undoubtedly be the case that when a grammar school becomes an academy without the prerequisite of being able to select under this system, it will be inundated with pupils and a lot of existing pupils will probably be forced to leave the school? I therefore ask the Minister to explain how this will work.

Mr Gibb: There is no change from the current situation. The catchment area of a grammar school after conversion to an academy will be the same as it was before. *[Interruption.]* Yes, this Bill does not seek to change any of the admissions arrangements or admissions appeal arrangements for schools, including selective schools. All it is allowing is successful schools—or, indeed, any school—to convert to academy status. We have been very clear about, and very conscious of, wanting to apply all the admissions arrangements. Therefore the code, the fair access protocols and the co-ordinated admissions systems will all still apply in the same way as when the school was a maintained school.

The final amendments in this group relate to faith admissions and faith designation. The Bill seeks to maintain the status quo on faith schools. There is nothing in this Bill that will make it easier for there to be an increase in the number of faith schools, or that seeks to change their character, but we do believe that faith schools should have the same chance to become an academy as any other maintained school.

Amendment 42 would require that no academy could select pupils on the basis of their faith, and it would effectively bar academy status for faith schools. As many Members on both sides of the House are aware, faith schools play an important role in this country's education system, often providing high-quality education for their children, as my hon. Friend the Member for Banbury (Tony Baldry) explained so well. Parents value the role that faith schools play and many parents actively seek out a place at such a school so they can obtain an education for their children in accordance with their religious beliefs, which is one of the principal tenets of the Education Act 1944, as my hon. Friend also pointed out. Although many schools maintain a faith ethos without giving priority for admission based on a child's faith, others maintain their strong religious ethos by ensuring that a significant proportion of their children are faith adherents. While we wish to ensure that new faith academies serve their broader communities, forcing existing schools to change admissions arrangements that may have been operating successfully for a number of years just because a school converts to become an academy would be unfair to those parents who chose the school on the basis of its religious character and ethos.

Amendment 43 also seeks to cap faith admissions by limiting the proportion of faith admissions in an academy that was previously a voluntary controlled school to the level prior to conversion. Voluntary controlled schools generally have a religious character. That means that although many do not prioritise children based on their faith, they are permitted to have faith-based over-subscription criteria. As maintained schools, they can increase the proportion of faith places through a local process of consultation and determination of admission arrangements. We wish to maintain the status quo in this respect, rather than be more restrictive. Therefore, academies that were previously maintained faith schools, including voluntary controlled schools, will be able to consult local people on changing their admission arrangements. Consultees will, however, retain their current rights of objection if they disagree with those changes.

Finally, we do not believe that amendment 44 is necessary or appropriate. We do not agree with its proposal that faith schools seeking to convert should have to go through an additional application simply to stay as they are, nor do we agree with its proposal that any non-faith maintained school should be barred from obtaining a faith designation as an academy. Any academy can currently apply to the Secretary of State for a faith designation provided that the relevant tests set out in existing legislation are met. Again, we want to retain the current provisions. I can, however, give the assurance that entirely new faith academies—by that I mean those that do not have a predecessor maintained school with a religious character—will be required to offer 50% of places to pupils from the community with no test of faith. I hope that provides some reassurance. I believe that the existing procedures for designating faith schools and the role of the funding agreement in regulating academies should provide sufficient safeguards for parents.

7.30 pm

I wish to deal with some of the points raised by the hon. Member for Gedling (Vernon Coaker). He asked about the profile of the schools that are applying for academy status compared with the existing cohort of academies. Of course, they will differ, because the earlier academies were all located in very challenging areas and we are now inviting all schools throughout the country to apply. Indeed, expressions of interest have been received from schools in 95% of local authority areas around the country.

The hon. Gentleman cited the funding agreement and the issue of the admissions code. Annexe B to the model funding agreement makes things clear, stating:

"The Academy Trust will act in accordance with, and will ensure that an Independent Appeal Panel is trained to act in accordance with, all relevant provisions of the School Admissions Code and the School Admission Appeals Code published by the Department for Education...as they apply at any given time to maintained schools and with equalities law and the law on admissions as they apply to maintained schools."

The hon. Gentleman raised the issue of the differences between the old and the new model funding agreements. The procedures for changing admissions arrangements are covered in the schools admissions code, with the exception that the Secretary of State will now police the changes for academies. The old funding agreements simply repeated these requirements and therefore were not necessary. We are trying to remove from Government documents unnecessary replication of issues that are dealt with elsewhere.

The hon. Gentleman said that the exclusion independent appeal panel had been removed from the funding agreement, but it has not; this has been redrafted to apply the arrangements that apply to maintained schools. It should be clear that the position for all state-funded schools is therefore the same. He asked about the influence of selection on partner schools. Any partner of a grammar school could not select by academic ability unless it already had selective admission arrangements.

The hon. Gentleman asked about the rules relating to the expansion of grammar schools and requested that I quote from Lord Hill's letter. I am happy to do so, because this will interest all Members of the Committee. One of its end paragraphs states:

"For the sake of completeness, just as the previous Government allowed selective maintained schools to expand by up to 25% without publishing statutory proposals (and by more if they were to publish proposals under sections 18 and 19 of the Education and Inspections Act 2006), we will allow selective Academies to expand where a strong business case has been made and where there has been local consultation. We will not, however, agree to the percentage of selective places increasing within partially selective schools."

Vernon Coaker: May I just clarify how that relates to paragraph 1.22 on page 15 of the admissions code? That states:

"Local authorities and the Schools Adjudicator, when making decisions over setting an admission number or admitting above them, should have regard to the presumption that proposals to expand successful and popular schools, except grammar schools, should be approved."

It clearly states "except grammar schools" so how does that relate to what the hon. Gentleman has just said?

Mr Gibb: Well, it can do, because even under the previous Government, when the hon. Gentleman presided over this, it was the case that grammar schools could expand by up to 25% without publishing statutory proposals. Under that code, and under his Administration, grammar schools were permitted to expand by up to 25%, so we are not changing the fundamentals behind the expansion of grammar schools. They still have to demonstrate that there is a fundamental need and that consultation has taken place.

Vernon Coaker: What I was asking, even if we were wrong, is how what he has just said squares with the exclusion of grammar schools in paragraph 1.22 of the admissions code.

Mr Gibb: The provision is consistent in the same way that it was consistent with the arrangement under the hon. Gentleman's Administration, and under current law on maintained grammar schools—*[Interruption.]* Well, the hon. Gentleman was the Minister who presided over the introduction of these regulations, so he should know why these schools are currently allowed to expand by 25% and that that provision is still consistent with the admissions code.

Vernon Coaker: I do not have a problem with these things; if I was wrong, I was wrong. The hon. Gentleman is the Minister now. It is no good blaming me; he has responsibility for it now. All I am asking is how what he has just said corresponds to that aspect of the school admissions code.

Mr Gibb: By the same mechanism that currently allows maintained grammar schools to expand by 25%. If the hon. Gentleman is not satisfied with that response, I am happy to respond to any parliamentary question that he tables.

Vernon Coaker: He could write to me.

Mr Gibb: I am very happy to write to the hon. Gentleman if he would prefer that.

The hon. Gentleman also asked about the exclusion of children with special educational needs. As he will know, the current 203 academies have a higher proportion of children with SEN and they exclude such children disproportionately less than maintained schools.

My hon. Friend the Member for Cambridge (Dr Huppert) raised the concern that freeing faith schools from the national curriculum would create a risk of their teaching creationism, but there is no risk of that because they will still be required to teach a broad and balanced curriculum. The funding agreement will continue to require academies to teach religious education. For non-faith delegated academies, that means teaching the locally agreed syllabus; for faith schools it means teaching a curriculum in accordance with the tenets of the relevant faith. That is the same requirement as applies to voluntary-aided schools.

My hon. Friend also raised the issue of schools converting to academy status. As I have just said, the same rules apply as for maintained schools that want to convert to faith schools: they have to go through the whole process of re-designation, which requires the permission of the Secretary of State.

My hon. Friend asked where provision on the 50% rule is. It is not in the funding agreement, but we would not enter into a funding agreement that included admissions arrangements that allowed faith selection of more than 50%. That is a policy position, but it has been confirmed in both Houses and I confirm again that we will not sign funding agreements with new faith schools that intend to select more than half their intake on the basis of faith.

The hon. Member for Brighton, Pavilion (Caroline Lucas) asked about co-ordinated admissions arrangements. I am happy to assure her that they will apply. She also asked about levers for enforcing the admissions code. The Young People's Learning Agency will ensure compliance with funding agreements on behalf of the Secretary of State. If an academy breached an obligation in its funding agreement, the YPLA would seek to enforce the obligation and the Secretary of State could ultimately do so through the courts. The Secretary of State has a specific power within the funding agreement to direct the admission of an individual pupil or to direct the amendment of an academy's admissions arrangements if they do not comply with the code.

The hon. Member for Hampstead and Kilburn (Glenda Jackson), who is not in her place, asserted that the new academies will increase social division, but they will not. The Bill states at clause 1(6)(c) that academies must provide

"education for pupils of different abilities",

and at clause 1(6)(d) that they must provide

"education for pupils who are wholly or mainly drawn from the area in which the school is situated."

In response to the queries of my hon. Friend the Member for Portsmouth South (Mr Hancock), the admissions code requires fair and inclusive admission arrangements and outlaws any notion of cherry-picking. Of course, the academies will be bound by the code. Academies must be part of local fair access protocols, which require them to admit their fair share of challenging pupils, some of whom are likely to have been permanently excluded from other schools.

This has been an interesting and wide-ranging debate. I have spoken for long enough and I hope that I have managed to reassure my hon. Friends in both parts of the coalition and Opposition Members. I hope that on the basis of the assurances I have given, hon. Members will feel able to withdraw their amendments.

Ian Mearns: With your leave, Ms Primarolo, I am happy to withdraw the amendment and to defer to the amendments that are put at the appropriate time later. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Mr Iain Wright: I beg to move amendment 20, page 1, line 22, at end insert—

(za) if the school is an additional school, the school meets a proven need for additional capacity in the area in which the school is situated;'.

The Second Deputy Chairman of Ways and Means: With this it will be convenient to discuss the following: amendment 50, in clause 9, page 7, line 4, at end insert—

'(2A) For the purposes of subsection (2) "impact" refers to—

(a) the impact on funding for the other maintained schools, Academies and institutions within the further education sector situated in the area in which the additional school is (or is proposed to be) situated;

(b) the effect on social cohesion in the area in which the additional school is (or is proposed to be) situated;

(c) the impact on the balance of intake for the other maintained schools, Academies and institutions within the further education sector situated in the area in which the additional school is (or is proposed to be) situated; and

(d) other appropriate considerations.'.

New clause 3—*Local policies in relation to additional schools*—

(1) A local authority must at the annual general meeting of that authority publish a "Statement of current and future need" in relation to school places in that local authority area.

(2) This statement—

(a) may consider the need for further diversity of provision in a given area;

(b) may consider the satisfaction of local parents with existing schools;

(c) must have regard to social cohesion; and

(d) must have regard to population and the current and future demand for total school places.

(3) The Secretary of State must—

(a) satisfy himself that the additional school meets substantive needs as set out in the statement under subsection (1);

(b) where the additional school does not meet substantive needs set out in the statement under subsection (1) the Secretary of State must arrange for any substantive identified needs to be met; or

(c) must not enter into Academy arrangements for the additional school under consideration.'.

New clause 5—*Inducements to pupils, parents or guardians*—

'No person or organisation may offer inducements to pupils, parents or guardians for the purposes of encouraging—

(a) attendance at a school;

(b) expressions of demand for the establishment of an additional school;

(c) recommending attendance at a school;

(d) participation in any consultation on the establishment of an additional school; or

(e) any public statement.'.

Amendment 29, in clause 9, page 7, line 9, leave out subsection (4).

Amendment 33, in clause 10, page 7, line 13, leave out subsection (1) and insert—

'(1) Before entering into Academy arrangements with the Secretary of State in relation to an additional school, a person must consult—

(a) local parents and children,

(b) local schools,

(c) the relevant local authority,

(d) all school staff and their representatives, and

(e) any other persons deemed appropriate.'.

Amendment 5, page 7, line 14, leave out 'such' and insert—

(a) the local education authority for the area in which the additional school is (or is proposed to be) situated,

(b) the teachers at maintained schools, Academies and institutions within the further education sector in that area,

(c) the pupils at any establishment falling within paragraph (b),

(d) the parents of those pupils,

(e) such persons as, in the opinion of the person undertaking the consultation, represent the wider community, and

(f) such other'.

Mr Wright: This group of amendments seeks to address two fundamental weaknesses in the Bill, namely a chronic lack of consultation with relevant stakeholders and a failure to consider the capacity of the wider education system in an area where free-market schools may be established.

There is a shocking lack of consultation in the Bill, but the Schools Minister and his right hon. Friend the Secretary of State are conviction politicians and men of strength and leadership, so they have nothing to be frightened of. In the short time that the Secretary of State has been in office, however, he has demonstrated an unwillingness or an inability to consult on anything, whether it has been the Building Schools for the Future cuts or the indecent haste with which the House has had to scrutinise the Bill.

Let me illustrate that point with regard to the amendments. The National Governors Association, in its guidance to members about the legislation, stated:

"The Bill as it is currently drafted does not require you to consult anyone."

A governing body can apply to become an academy without consulting teachers, parents, children, the wider community, trade unions or local authority, and there is no obligation to consult parents or the wider community in order to explain the vision or the academy's functions. On Report in another place, the Government introduced an amendment that allows new academies to

"consult such persons as they think appropriate",

but that concession was vaguely drafted and the Bill needs to go further.

My hon. Friend the Member for Gateshead (Ian Mearns), who is no longer in his place, said earlier today that a good school is not an island, and I absolutely agree. A good school is an institution that has a positive partnership with neighbouring schools and a constructive relationship with the community in which it operates. But the Bill does not take that into account. Instead, it ensures that the most important relationship is between the school and the Secretary of State, rather than between the school and its economic and social environment.

I am also unclear about how staff will be consulted under the Bill, and I hope that in responding the Minister will specifically answer that point. As far as I understand it, there is no obligation to consult staff about changes to the school model, but there will be huge ramifications in terms of the legal challenges to that, especially if TUPE arrangements need to be properly considered.

I have already mentioned the indecent haste of the Bill's passage through Parliament. If some institutions are to be set up as academies or free schools as early as six weeks from now, in September, and if many schools have either finished, or might finish in the next couple of days, for the summer, is there any time logistically to consult staff and unions properly on the ramifications for staffing contracts? Article 12 of the UN convention on the rights of the child gives children the right to express views on matters affecting them, a point that was made in Committee in another place, but nothing in the Bill allows children's views to be heard on a future that affects them.

Another fundamental question is, what impact will a new school have? Where does the Bill allow for the need to assess and challenge a new school, or for people who want to introduce one to demonstrate where it will improve education not just for its own intake, but for the surrounding area and students of adjacent schools? If an area takes on additional free schools, academies or both without appropriate consultation or consideration, we must accept that there is a strong risk of existing maintained schools becoming unviable. That arrangement will inevitably lead to an unfair, two-tier system of schooling, and this country's education system will fragment, with all the negative social consequences that that produces.

Without my amendments and those of my right hon. and hon. Friends, the Bill will ensure that funding flows towards new, free-market schools without any assessment of capacity or need. In Committee in the other place, it was confirmed that local authorities and other stakeholders were essentially being booted out of the way to enable additional school places to be created in a completely ad hoc, free-market way. The only check on this is the Secretary of State, rather than local people with a passion for their area and schools and knowledge of local circumstances. The creation of those additional places will be funded at the expense of existing school budgets and the loss of school buildings. It will also lead to a fragmentation of education, as I have said. It will leave some pupils behind, and it does not raise standards in schools at all. I ask the Minister to respond to those concerns and to think again.

As my right hon. Friend the shadow Secretary of State said on Second Reading, which seems only a matter of hours ago—in fact, given the haste of this Bill's passage, it was only a few hours ago—having examined the case for a new parent-promoted school in Kirklees, Professor David Woods said that it would

"have a negative impact on other schools in the area in the form of surplus places and an adverse effect on revenue and capital budgets."

7.45 pm

Mel Stride (Central Devon) (Con): Is it not the case, though, that if we do not sometimes have excess places, we deny parents the choice that in turn drives the improvement in standards within schools, and end up in the situation that we are in at the moment whereby we are going down the league tables in mathematics and literacy, and of the 80,000 pupils who have free school meals, only 45 are getting into Oxford and Cambridge and our better universities?

Mr Wright: I would be happy to allow the hon. Gentleman to intervene on me again if he could provide a direct correlation between surplus capacity, which is what he is suggesting, and rising standards and quality in schools. I do not see a close correlation between capacity and quality, but if he would like to enlighten me on that, I am more than happy for him to intervene.

Mel Stride: Does not the hon. Gentleman accept that there is a correlation between increased parental choice—after all, it is parents who know what is best for their children and can spot a good school as opposed to a bad one—and an improvement in standards?

Mr Wright: I certainly agree with choice in the education system, but it would be choice for a very narrow stratum of society—predominantly middle class, media-articulate, affluent parents at the expense of disadvantaged communities. That is wrong: we need to raise standards completely across the board.

In the Bill as it stands, there is nothing to stop a load of private sector chancers, keen on making a quick profit, from contacting local parents in an area and suggesting that perhaps a new school could be beneficial, without any appropriate checks and balances on the impact that such free-market profiteers would have on educational quality, provision and capacity. Those free-market chancers could incentivise the local community with perhaps with a free laptop or the opportunity to enter a competition to win something if they expressed an interest in providing a new free school. New clause 5 would allow that to be stopped. It would ensure that there were effective checks and balances so that no person or organisation could offer inducements to pupils, parents or guardians for the purpose of new school places.

This afternoon, we had an extremely heated and interesting debate in Westminster Hall about Building Schools for the Future. Following what the Secretary of State said in his statement, 735 schools will no longer be refurbished or rebuilt. A review of the school capital programme is to be carried out by Sebastian James. Let me quote from the terms of the review:

> "The overall aim of the review is to ensure that future capital investment represents good value for money and strongly supports the Government's ambitions to reduce the deficit, raise standards and tackle disadvantage."

Okay, that is the narrative that the Secretary of State has been producing—I understand that. However, the terms of the review also state that it is intended to do the following:

> "To consider how to generate sufficient places to allow new providers to enter the state school system in response to parental demand...To increase choice locally determined by parental demand",

and, crucially,

> "To enable the establishment of new schools."

Will the Minister discount the scenario whereby in a community where parents are disappointed that schools will not be rebuilt or refurbished under BSF, the Secretary of State could say, "But if you set up a new free school you can unilaterally decide to have a school capital building programme, and what is more, we will provide the school capital to allow you to do that, regardless of the impact that it will have on the wider educational provision in your local area. If you and a few other parents decide to do that, we will drop you a load of money to make sure you can have a rebuilt school." Will the Minister confirm that that will not happen?

If a new school is to be established, surely it is courteous, and just common sense, to establish what people in the local area think of the proposal. Surely it is important to scrutinise the impact and effect that it will have on existing schools. The amendments therefore highlight the need to ensure that local people are satisfied that there is a clear and rational case for additional capacity in education provision, that the proposal has been subject to local consultation, scrutiny and challenge, and that additional provision could best be served through the establishment of a new school.

Amendment 33 addresses the risks that I have outlined to the Committee and is therefore very important. Before arrangements for setting up a new free-market school are entered into, there should be consultation with local parents and children, schools, the local authority, school staff and unions and any other persons deemed appropriate. We believe that the amendment would involve relevant and important stakeholders in a fundamental decision about changes to education in a particular area.

Amendment 50 follows on from that point and addresses the risk of fragmentation in the education system as a result of setting up a free school. To avoid a two-tier system and funding being automatically diverted to new free schools without any consideration of the impact on existing schools' finances or the number of students in the wider local education authority, the amendment would insert into the Bill a requirement to consider various factors. Those are

> "the impact on funding for the other maintained schools...the effect on social cohesion in the area in which the additional school is (or is proposed to be) situated"

and

> "the impact on the balance of intake"

for other schools in the area and the further education sector. That last point is important, and I am pleased to see the Minister of State, Department for Business, Innovation and Skills, the hon. Member for South Holland and The Deepings (Mr Hayes), who is responsible for further education, on the Treasury Bench. I shall return to that matter later in my remarks.

Amendment 20 is an attempt to rein in free-market abandon and address the point that I have already made about capacity. It would add to the characteristics in clause 1(6) that must be demonstrated by a potential additional school if one is to be established. That subsection is currently broad to the point of being vague and, I would argue, meaningless. The amendment states that if there is to be an additional school in an area, it must be demonstrated as part of the selection process that it

> "meets a proven need for additional capacity in the area in which the school is situated."

As the Bill is currently drafted, when an academy order has been made, the converting school or relevant local authority will not have to follow the school closure procedures set out in section 30 of the School Standards and Framework Act 1998 or sections 15 to 17 of the Education and Inspections Act 2006. The relevant provisions in the 1998 Act are designed specifically to ensure that reflection is made on the consequences of a closure. Those provisions are that the governing body should give at least two years' notice to the Secretary of State, and that if closure would affect the facilities for full-time education for post-16-year-olds, the relevant further education funding council should be consulted. I believe that in the current regime that would be the Young People's Learning Agency, but it would be useful if the Minister confirmed that. Those provisions allow the decision on closing a school to be considered in a proper manner.

Removing the provisions of sections 15 to 17 of the 2006 Act is particularly risky. Those sections essentially ensure that when a school maintained by a local authority is to be discontinued, the authority must publish its proposals. Prior to that, the relevant body must consult

[Mr Iain Wright]

the registered parents of pupils at the affected school as well as the local education authority. That just seems like good common sense. When there are proposals to discontinue a school, there should be the widest possible consultation, challenge and scrutiny. I ask the Minister to tell us specifically why it was felt necessary to remove those requirements, which seem like good, plain common sense.

Clause 9(4) states that an additional school is not to be considered a maintained school

"if it provides education for pupils of a wider range of ages than the maintained school."

That is a significant part of the Bill, and at the risk of being too melodramatic, I believe it could prove the death knell for our current further education sector. I shall expand that argument with reference to my constituency. For a relatively small town, Hartlepool has a diverse offer of 16-to-19 provision. It has a college of further education, a sixth-form college, a specialist art and design college and a Catholic school sixth-form college. The choice on offer for students in Hartlepool is really quite rich, and it works incredibly well, but under clause 10(4), a school in Hartlepool or anywhere else that currently offers 11-to-16 provision could apply to become an 11-to-18 free school or academy without consideration for the wider area, without consultation regarding current post-16 provision, and without any assessment of whether the new arrangements are feasible, viable or desirable. That cannot be right or sensible. I would be grateful if the Minister could, before his winding-up speech, have a word with the Business, Innovation and Skills Minister, to determine the rationale behind that measure, because it puts at risk the advances that have been made in the FE sector since incorporation in 1992-93.

Mr Graham Stuart: I may be reading clause 10 incorrectly, but it seems to me to have precisely the opposite meaning to the one the hon. Gentleman suggests. It states that

"a school does not replace a maintained school if it provides education for pupils of a wider range of ages",

which means that it would be viewed as an additional school, and therefore that it comes under clause 10(2), which states:

"The Secretary of State must take into account what the impact of establishing the additional school would be likely to be on maintained schools, Academies and institutions...in the area".

As I said, the measure therefore appears to have the opposite effect to the one the hon. Gentleman suggests.

Mr Wright: That is certainly not how I interpret the Bill. Amendment 50 is a probing amendment, because given the advances in FE provision and the huge choice in my constituency, I would hate anything that meant that an 11-to-16 school could disrupt post-16 provision.

The amendment would ensure that institutions within the FE sector, as well as the local education authority, pupils and parents are consulted. It is also important that that wider family—I hate that phrase—of education providers is consulted, but that will have a direct impact on post-16 provision.

The Opposition have faith in parents, pupils, teachers, councils and the wider community, and we think that their views should be taken into account when setting up academies, and that no new free-market schools that fragment the current system should be set up. That could lead to a two-tier system and compromise the viability of current schools and colleges.

Chris Skidmore: The hon. Gentleman has a near-obsession with free-market schools, but nowhere in the Bill do I see them mentioned. However, clause 12, "Charitable status of Academy proprietors etc", suggests that no such free market is created by the Bill. Rather, it suggests that the money is charitable money, and that it will remain within the state sector.

Mr Wright: I disagree with the hon. Gentleman. In all their rhetoric on free-market schools, the Education Secretary and his ministerial team want to encourage parents to set up free schools that are beyond the scope and authorisation of the local education authority. The Opposition believe that we ought to think of education in an area holistically, and ask what impact unilaterally setting up a new school will have on existing maintained schools and wider education providers, such as FE colleges. That is important.

Charlotte Leslie (Bristol North West) (Con): I understand the Opposition's concern, but does the hon. Gentleman agree that the private school sector benefits most when parents and others who have an appetite to set up a school in an area are not allowed to do so, because those parents, as a last resort, will send their children to private schools? If any lobby group is most against the plans in the Bill, it is that of private and smaller private schools, which believe that their income will suffer if parents can send their children to nearby small schools. Does he recognise that the effect of liberating a market or creating a so-called free market might be to alleviate the great divide that currently exists between private and state education?

Mr Wright: I have no problem whatever with anything the hon. Lady says. If parents decide, for whatever reason, that a new state-funded school is necessary, they should be given help and support for it. If birth rates are rising, or if people think that there is not enough capacity in the education system, it is perfectly reasonable to do that.

8 pm

I have a problem with the fact that these proposals will not be subject to rigorous challenge, scrutiny and consultation. That is all I am asking for, but the Bill does not provide for it. It does not allow for dialogue with local stakeholders, parents from the affected schools, pupils, local education authorities or further education colleges in the area. Given the courage of the convictions of the Secretary of State and the Minister, why will they not accept that challenge and address the point about additional capacity in an area? That is all I am asking, and the hon. Lady has made a good point. Change should be subject to consultation, challenge and scrutiny, but the Government seem to fear that their dogma and ideology would not stand up to such a challenge. We believe that local people should be making local decisions, and that we should not be concentrating all the power in the Secretary of State.

Finally, given that this is a Bill about children and about raising standards, I should just like to wish my little girl, Hattie, a happy eighth birthday today. In doing so, I commend the amendment to the House.

Caroline Lucas: I want to speak to amendment 5, and to reinforce some of the points that have already been made about the importance of making real consultation mandatory. The Government are selling these proposals on the basis that they are about empowering communities, but they are specifically refusing to allow proper consultation with our communities. This is not about empowerment; it is about centralisation.

The Department for Education website gives four handy steps towards conversion. First, the head teacher decides that he or she wants to opt out. Then the governors meet and pass a resolution. The Secretary of State then approves the proposal and the funding agreement. Finally, the Government order the local authority to cease maintaining the school. Then, as if by magic, the school is suddenly free. I am sure that most parents would find that rather alarming, and that they would want to have a direct say in the removal of their right to democratic influence through the severing of that link to the local authority.

Proper consultation would enable reflection on accountability and governance, and on whether the freedoms that academy status brings would be used without disadvantage to other parts of the community. Despite all the nice rhetoric about the schools being free schools set up by those parents who want them, there is a real risk that they will drain resources away from other schools in the region. We need the kind of consultation that the amendment proposes if we are to ensure that that does not happen.

Heidi Alexander (Lewisham East) (Lab): Does the hon. Lady agree that this lack of consultation with communities and local authorities runs contrary to what others in the new coalition Government are proposing in their localist agenda? They talk about giving more power to communities and local authorities, but the proposals in the Bill seem entirely inconsistent with that agenda.

Caroline Lucas: I completely agree with the hon. Lady. In spite of all their rhetoric about the big society, when the Government are put to the test and asked to demonstrate their commitment to the idea, they do not seem to trust our communities enough to consult them.

The ramifications of so many schools becoming independent are enormous, and children, parents, teachers, trade unions and members of the wider community are surely entitled to have their voices heard. Under the Government's proposals, thousands more schools could become their own admissions authorities, and parents will want to know who will ensure that a school's admissions policy is being observed. They will also want to know that the education of vulnerable children and children with special needs will be fairly managed and properly resourced. Consultation is the key to giving them that kind of guarantee. Surely local authorities are entitled to debate proposals that will result in local authority boundaries ceasing to have meaning in some cases. Surely they also need to have some kind of input into an admissions process that could lead to chaos for the rest of the region.

Consultation should be absolutely central to the Bill, and it is still not clear to me, despite what the Secretary of State has said, why he and other Ministers are in such a rush. Perhaps we must conclude that they are anxious that students, parents or staff might rise up and object to this attempt to take power away from local communities. Perhaps that is why the Secretary of State does not want to consult on these proposals.

Dan Rogerson: I have some issues with the whole concept and experience of free schools, having spoken to colleagues, hon. Members and others who have seen them in operation in other countries. I have always struggled to understand how the concept might be relevant across the United Kingdom. However, recently I have been considering the situation in a rural area such as my own, in which the village schools do not become part of a federation and the local authority or the diocese—if it is involved—decides to close a small village school. In such a situation, I can foresee that a community might come together and want to provide some form of school.

This presents me with another problem: should there be a facility to enable that to happen? What safeguards will be in place to ensure that the facilities are of a required standard? Will all the protections be in place, the suitability of which a local authority would otherwise have input into, to ensure that not just the bare minimum is provided?

As I struggle to reconcile my initial dislike of the concept of free schools with the circumstance in a rural area such as my own that I have outlined, I ask what safeguards will be in place to ensure that, particularly in the early days of such a provision, all the standards that we would expect within the existing sector will be safeguarded, and that there will be equal protection.

Mr Slaughter: The Opposition amendments, which I support, are based on genuine fears about what may occur through a local market in education if this Bill becomes law. I mentioned on Second Reading a flyer that is circulating in a part of my constituency that is already testing the market to see whether an appetite exists for the opening of new schools in the area. I thought that this was already common practice, but *The Times Educational Supplement* telephoned me yesterday to say that it is the first such example it had heard of. However, I am sure it will not be the last if this Bill is passed, when it will become common practice.

Let me give a foretaste of what is to come by indicating what is proposed in Shepherd's Bush. The flyer, which is being circulated widely, says:

"A New Primary School For Your Child. We are opening a new primary school in your area soon and we are enrolling now!"

It comes from an organisation called ABC Academies, although I believe that that name is not patented and may change. It continues:

"Close to your home, we will provide education for children from five years old. Life skills, reading and writing, mathematics, science, physical education and fun!...Contact us to find out more!"

There were three open days, the last of which, in fact, ended about eight minutes ago in a part of the Shepherd's Bush road. Parents are being invited to come along and I presume that, if enough turn up, an estate agent will be asked to look for suitable premises in the area. It is not that easy to find somewhere with sufficient play space and equipment in the middle of inner London, but it is a task that we know Toby Young and others have set themselves in that part of the world. At some

[Mr Slaughter]

point, an application will be made to the Secretary of State for some of the £210 million of Building Schools for the Future funding that the schools in my constituency have been deprived of.

Although I agree with the amendments tabled by my hon. Friend the Member for Hartlepool (Mr Wright), it may surprise him to hear that I disagree with his pillorying the people who are putting forward this proposal. I do not particularly pillory them—in fact, I know the people who are doing this in my area. They are local entrepreneurs who run a perfectly respectable, good business that says to schools, "We will use your schools for you. We will market them when they are available—classrooms and halls at evenings and weekends, for example—and we have a number of successful supplementary schools in the area." I see nothing wrong with that. The firms make a profit, and that benefits the school, the people who use it, and the company. However, as a result of the coalition Government's proposals, the companies now see that exactly the same principles should apply to the provision of state education in the area. Who can criticise them for that, when that is exactly what is being proposed?

I asked the assistant director of education whether he knew about the practice. He is responsible for all school building programmes and the provision of school buildings; he had never heard of it. I spoke to some of the primary heads in the area; they had never heard of it, and did not know about it, although when I told them about it, they thought that they might pop along to an open day and see what was happening.

There is over-subscription of primary schools in the London borough of Hammersmith and Fulham, although curiously the local authority was closing primary schools until last year so that it could free up the sites and sell them on to private schools. There may be demand for a primary school in certain parts of the borough, but I ask the Government whether that is the right way to go about things.

For example, one primary school is next to a place where one of the open days is held. It is a popular, successful school, but it is not full in all years because the turnover—the mobility—of population in inner London is such that 25% of the children in a class can leave that class in the course of a school year. That is very difficult. Some 65% of children in that school have English as a second language, and 40% are Muslim. We are talking about one of the most varied, diverse and mobile communities in the country. Planning school provision and school places is incredibly difficult on both a financial and educational level.

What will happen if we throw into the mix the ability, simply on the basis of a business idea, to set up a new school where one feels that one can? A company might attract parents who like the idea, and who are most able, willing, articulate, and responsive to that type of marketing, set up a school, and drain other schools of their pupils and finances, including the capital funding that has already been stopped for existing schools. That is a recipe for utter chaos in the education system. It is gold-rush tactics applied to the education system.

There are groups of parents doing the same as the companies. They have their eye on particular buildings, and say to the local authority, "Could we have that building? Never mind who is in there at the moment. Could you get them out? We'd like the building for our own use." I am certainly not criticising the parents; they want to do the best for their children. I do not even criticise the organisations concerned. They may be very sound entrepreneurial organisations. I blame the politicians, who, both at local and national level, appear to be abdicating completely all responsibility for the planning of education, and in particular the planning of sustainable, sensible and integrated education.

The education system, particularly in areas such as inner London, is finely balanced. It works. It is highly resourced, thanks to the last Labour Government. It has an incredible number of committed people in it—parents, teachers, children and, indeed, some local politicians. It works very well, particularly at primary level, but often against the odds and against great challenges. This legislation does nothing to assist. All that it does is put a spoke in the wheel, and barriers in the way of continuing that success. Education—particularly primary education—in inner London is not broke. This noxious and pernicious Bill aims to destroy what we have built up over many years, and I urge all Members of the Committee to support the amendments in the name of my hon. Friend the Member for Hartlepool.

Mr David Anderson (Blaydon) (Lab): I am really depressed by what is happening, particularly in relation to consultation. For years and years, quite rightly, the Liberal Democrats and the Conservatives attacked the previous Government for not having full consultation with people when measures such as this were going through. But to have a consultation process, or not to have a consultation process, when the people who run our schools—the teachers, the support staff, the people who do school meals and the people who clean the schools—are not even at work but are on holiday, if they can afford to take one, and to say that the head will decide and that when they come back in December they will be told what will happen to them, is clearly out of order. It is almost certainly not legal and I am convinced that there will be challenges.

8.15 pm

Let us just think about some of the things that could happen during the summer. People who may finish work this week and return in the first week in September may not have these questions answered. Will I, or will I not, still be entitled to the sickness agreements that I have had for years in my previous employment? Will I still be entitled to the same rights of annual leave? Will my salary be the same? Will my pension be the same? Will my redundancy rights be the same? Will my access to training be the same? Will my redeployment rights be the same? Will my career development still be the same? Will any rights that I have accrued in possibly decades of service for the people of my community be the same?

In any normal consultation process—I have had long experience in six to 10 years of working for a local authority—under both the last Labour Government and the previous Conservative Government, even at the hardest of times, when there were real issues and really dogma-driven changes, people were still allowed the right to consult and to have their questions answered. There is no way, in six weeks, even if the staff were still at work, that these questions could be answered, and to

say that this is the right way forward and to pretend that somehow it fits into the concept of the big society is clearly and utterly wrong. Staff will be going back to work in six weeks' time and they will be told by the head, by the board of governors, "You either take it or leave it." That has to be wrong.

Mr Gibb: I start by wishing Hattie a very happy eighth birthday on behalf of all Government Members. Happy birthday, Hattie.

Amendment 20 would require any proposal for an additional school or a free school to demonstrate a need for additional capacity within the local area. We have made it clear that we want to improve choice in education. A free school proposal will be required to demonstrate parental demand and support. Where there is such demand, we will not turn down the proposal simply to protect other local schools. As my noble Friend Lady Perry said in the other place:

"Why can we not trust the people who run our schools and education services to behave in a sensible and honourable way? That is how they have always behaved...To be prescriptive, to write down as a rule that we are consulting only because it is the law, would be alien to the way in which good schools operate – and only good schools will come this way."—[*Official Report, House of Lords,* 13 July 2010; Vol. 720, c. 623.]

All schools will need to drive up standards to retain their pupils and remain viable. Any proposer of an academy that does not replace a maintained school, including a free school, must consult such people as they think appropriate before entering into funding arrangements with the Secretary of State on the principle of whether to enter into such arrangements. That will allow for representations to be made regarding any concerns that appropriate people may have over such proposals.

Charlotte Leslie: Does my hon. Friend agree that it would be utter lunacy and madness for either an additional school or a school seeking to apply for academy status not to meet the needs of the local community around it, because then it would not succeed as a school? It would be part of the process of its change that it would seek to meet the needs of the entire community around it.

Mr Gibb: Absolutely. That is the whole point. It is in the Bill. Any school that sought to establish itself without talking to and consulting local people would not fare well in trying to attract pupils.

Furthermore, clause 9 requires the Secretary of State, when deciding whether to enter into academy arrangements with an additional school, an entirely new or free school, to take into account the impact of such a school on the existing schools and colleges in the area. That will ensure that in making decisions on any free school proposal due consideration will always be given to its wider implications. Clause 9 is included in the Bill following helpful debates in the other place where noble Lords expressed concerns over the impact that any brand new academies—free schools—would have on other schools and colleges in the area. We agreed that in making decisions on any free school proposal, due consideration should always be given to its wider implications. That was our intention even before we tabled that amendment in the other place. We were happy to place that duty in the Bill.

Amendment No. 50 seeks to define "impact", which the Secretary of State would be required to take account of when considering entering into arrangements for an additional free school. I fully understand hon. Members' concerns, but we do not wish to prescribe the matters to be considered in each case. Every school is different and its case should be considered on its merits. The problem with a list is that people tend to focus on what is not on it, and that risks other considerations that are not included being considered irrelevant and unimportant. In fact, they could well be quite important.

Lord Adonis said:

"The idea that parents should not be able to access new or additional school places in areas where the schools are not providing good quality places simply because the provision of those places will cause detriment to other schools fundamentally ignores the interests of parents and their right to have a decent quality school to send their children to. If there is not such a decent quality school and someone is prepared to do something substantive about it, they should be applauded".—[*Official Report, House of Lords,* 21 June 2010; Vol. 719, c. 1264.]

We agree with Lord Adonis's sentiments.

Mr Graham Stuart: Although I agree with my hon. Friend that the amendment should be rejected, may we expect the Secretary of State to come forward with an explanation of the approach that he will take to the assessment of this impact? Otherwise it could appear that the Secretary of State was making such decisions without a framework that the public in a local area could expect to understand.

Mr Gibb: We need to try to get away from reams of guidance and secondary legislation. The wording of clause 9 is clear. It states:

"The Secretary of State must take into account what the impact of establishing the additional school would be likely to be on maintained schools, Academies and institutions within the further education sector in the area in which the additional school is (or is proposed to be) situated."

It is clear what is intended, and what has always been intended by the Secretary of State because he is under a duty to act reasonably. The clause just reinforces the duty that already exists.

Mr Stuart: If the Secretary of State will not produce a framework to show how he will approach such cases, will he publish the assessment that he makes in order to come to a conclusion? People deserve to be able to understand the logic behind a decision, even if it is just precedent and looking at different schools in different places at different times. That might also help people who want to come forward with proposals. If they do not understand the Secretary of State's thinking, they will not know whether or not to make a proposal.

Mr Gibb: I will ponder my hon. Friend's point. I personally think that it is clear what sort of issues the Secretary of State will take into account when deciding whether to accept a proposal for an additional school in an area. To be too specific in setting out guidance would be a mistake, because it could end up luring future providers into not considering issues that they should take into account when assessing the impact that their proposal would have on the local area. As I say, I will ponder my hon. Friend's points and perhaps write to him on this issue.

Guy Opperman (Hexham) (Con): Surely it is a matter for both natural justice and judicial review? I am sure that the Minister has taken very good advice, but if he does not open the process up and give people the opportunity to make representations on it, he will lay himself open to many more problems in the future.

Mr Gibb: I will ponder the points that both my hon. Friends have made and I will write to them shortly to set out our position with greater clarity.

In the letter to lead Members sent on 26 May, my right hon. Friend the Secretary of State made it clear that the Government see strong local authorities as central to our plans to improve education. We want to see a smooth transition to the new school system and want a genuine dialogue with local government—and other partners—to that end. There are important questions about the role of local authorities in school improvement, how to ensure that local provision meets the needs of all children in an area, including the most vulnerable, and how we help schools to understand the opportunities, freedoms and responsibilities of the new system.

Over the next weeks and months, we want a further dialogue with local government on those and related matters, and we do not think it would be right to pre-empt those discussions by accepting the amendment, which would clearly place a bureaucratic burden on local authorities ahead of a wider discussion about their continuing role. As I have already explained, additional schools are required to consult locally on their proposals, and the Secretary of State has a duty to consider the wider impact of any school on its local area, so a requirement for him to take account of an annual report provided by the local authority would, in our view, be unnecessary.

On new clause 5, we share the commitment of the hon. Member for Hartlepool (Mr Wright) to promoting fair and proper processes when establishing all new schools, including free schools, which is why we have put in place a rigorous approval process and are requiring that groups comply with every aspect of it before being allowed to open a new school. As part of the process to establish a free school, groups will have to demonstrate that there is genuine, robust demand for places at the school they are proposing, both at the proposal stage and in completing their business case and plan. To meet this requirement, we expect groups to provide evidence of this demand, perhaps through a petition or a declaration from interested parties, but in every case demonstrating clear evidence of unmet local need, not just expressions of support.

The new clause would prevent organisations or groups from offering financial inducements to parents and pupils to encourage them to attend or support new free schools. It is, of course, right that we would not wish to see any organisation trying to manipulate public opinion or to give financial incentives to any person to obtain their support. However, it shows a marked lack of trust in parents, if I may say so to the hon. Gentleman, to suggest that they would send their child to any school on the back of a financial incentive. They will obviously want to send their child to the best school possible.

Mr Iain Wright: Will the Minister address the point I made on this subject? Parents might quite rightly be disappointed about Building Schools for the Future capital being scrapped, but are the Secretary of State or the Minister saying, "We're trying to look for additional school capital programmes, and if you set up a new school, you'll be first in line, regardless of what the wider community requires"? Can he say that that will definitely not be the case?

Mr Gibb: We have allocated £50 million of funding from the harnessing technology fund to restart the standards and diversity fund, which was established in 2008 by the hon. Gentleman's Government to promote new schools. That is the fund that will provide capital for free schools until 31 March 2011. It is quite clear that it does not come from the Building Schools for the Future fund.

New clause 5 would have an unintended consequence as a result of its wide scope. For example, it would prevent a school from being able to offer subsidies for the provision of school uniforms to pupils from low-income families, which I am sure is not something that Labour Members would want.

Chris Skidmore: New clause 5 mentions inducements to pupils, as my hon. Friend mentioned. The hon. Member for Hartlepool (Mr Wright) also made a point on this subject. However, would the new clause not also affect the education maintenance allowance, which was a financial inducement introduced by the previous Government? I am sure he does not oppose that.

Mr Gibb: My hon. Friend makes his point in his own way, and I am sure that the hon. Member for Hartlepool will respond to it when he decides whether to press his amendment to a vote.

I want to clarify one point about the approval of new schools. A very strong evidential basis must be demonstrated, not one based on offering rewards. In order to ensure that places are of sufficient long-term quality and sustainability, not all applicants to this process will be successful. However, it is right that, where cases are properly made, we strongly support communities that want to establish new schools in order to improve choice for their own and other young people in their areas and to drive up standards across them.

Amendment 29 would amend the definition of what amounts to an additional school and the circumstances in which the Secretary of State would be required to take account of the impact of an additional school. Noble Lords in the other place raised concerns about circumstances in which a free school was partially new, but partially replacing an existing school—for example, where a school had a broader age range than the school that it had replaced. I can confirm that it is our policy to expect convertors to convert "as is". Therefore, any school wishing to change its age range would need to follow either the relevant statutory procedures for prescribed alterations before conversion or the relevant administrative processes after conversion, rather than as part of the conversion process.

8.30 pm

We are also committed to assessing the impact of any free school proposals on a local area. However, we also wanted to meet the concerns of noble Friends in the other place, so we have amended the Bill accordingly. In most cases, the school will have the same head, staff,

parents and children, but will also have additional freedoms to innovate and raise standards. Furthermore, the requirement for converting schools to consult means that those other schools in the area may have the chance to make representations on the proposed conversion. However, schools may still become academies via the Education and Inspections Act 2006, under which the predecessor school is closed and replaced by an academy, as opposed to undergoing a conversion to academy status, which is what the Bill will allow. In those cases, under clause 9(4), the Secretary of State will be required to assess the impact of any change in the age range.

Amendments 33 and 5 both seek to specify in the legislation who the promoter of an additional school must consult before entering into academy arrangements with the Secretary of State. Any free school proposal, which will need to demonstrate parental demand and support, will by definition require consultation. However, following concerns raised in the other place, we felt it necessary to set out in the Bill our expectation for such consultation. However, we do not intend to prescribe how that consultation should be conducted. A key principle of this Government is to trust professionals to do their jobs without the unnecessary interference of central Government. We trust professionals to determine how to consult, and we do not think it right to provide an inflexible checklist, which would not, in itself, ensure that consultation was any more meaningful.

Mr Anderson: Does the Minister also think it correct that the professionals who deliver the education of our children have the right to be consulted and that that should be set out in the Bill?

Mr Gibb: I do not think that it needs to be set out in the Bill, but the hon. Gentleman is absolutely right: of course staff should be consulted, and they would be. TUPE—the transfer of undertakings (protection of employment) regulations—will govern the contracts of all the employees of the school and the transfer of employment on the same terms. He should feel assured that the necessary statutory consultation, by the employer and with the employee, will take place as part of the process.

Caroline Lucas: Why do we just have to take the hon. Gentleman's word for it? No disrespect, but if it is so self-evidently clear that the consultation will take place with all the relevant parties, why could that not be set down in the Bill? For a lot of us, that would be a way of putting our minds at rest.

Mr Gibb: Well, no disrespect right back at you. The point is that the TUPE regulations are already in statute and they have to be followed. Whenever there is a transfer of undertakings, those procedures are followed, and there is no need to set that out in the Bill. However, we are simply adopting the same approach that the previous Government took to academies, which is that we regulate through the funding agreement. The hon. Lady can also be assured that the things said in this House are on the record for her to hold us to account against, so the more she can get me to say now, the more reassured she can be.

This Government's approach is to let the people who have the experience and knowledge in their areas of work make the decisions that will affect them. The promoter of a free school will know who the interested parties are in their local area. Any proposal for a free school must be able to demonstrate genuine, robust demand for places at the proposed school—for example, through a petition or a declaration from interested parties. As I said, clause 9 requires the Secretary of State, when deciding whether to enter into academy arrangements with a free school, to take into account the impact of such a school on existing schools and colleges in the area. That will ensure that when decisions on any free school proposal are made, due consideration will always be given to its wider implications.

I want to run through some of the other points that the hon. Member for Hartlepool made. I made the point about consultation, but he also talked about academies being disconnected from their surrounding areas. However, the model funding agreement for academies, which hon. Members will have seen, explicitly says that

"the school will be at the heart of its community, sharing facilities with other schools and the wider community".

That is a key provision of the model funding agreement.

The hon. Gentleman also talked about TUPE. Consultation can take place after the academy order has been made. The key issue for staff transferring—he also mentioned the discussions taking place in August—is the signing of the funding agreement. These consultations can take place well into September and October before the funding agreement is signed.

The hon. Gentleman asked about the disapplication of sections 15 and 17 of the Education Inspections Act 2006 for schools converting under clause 4. This is relevant because under those arrangements the school is not closing, but converting, so there is no need for provisions to govern all the steps that have to be gone through when a school is closed. Consultations are provided for, as I said, under clause 5. He also asked about the impact on the further education sector. Clause 9(2) requires the Secretary of State to take into account the impact on colleges as well as on other schools.

My hon. Friend the Member for North Cornwall (Dan Rogerson) asked about the facilities at free schools. Health and safety law will, of course, apply. Ofsted will continue to inspect, and there are detailed provisions about fire, safety, security and structure, food hygiene and so forth in the Education (Independent School Standards) (England) Regulations 2003, which will now apply to academies. Those regulations are very detailed; if they were not detailed, many independent schools around the country would have the same worries as my hon. Friend.

With those few remarks, I hope that I have assured hon. Members on both sides of the Committee, and I urge them not to press their amendments.

Mr Iain Wright: I begin by thanking the Minister for his usual courtesy and kindness in wishing my daughter Hattie a very happy birthday. The whole Committee is welcome to join us for "Toy Story 3" on Sunday, if it so wishes.

The Minister has reassured me to some extent on clauses 9 and 10 and on the model funding agreement. That goes some way to addressing my concerns and I also thank him for clarifying some points about the FE sector. However, he has not gone far enough. As I said, there are fundamental weaknesses at the heart of the Bill, as seen in this group of amendments. Those weaknesses

[Mr Iain Wright]

are on capacity and on consultation. With great respect to the Minister, he has not reassured me on those matters.

More to the point, some comments by the hon. Members for North Cornwall (Dan Rogerson) and for Hexham (Guy Opperman), and the excellent comments by the Chair of the Select Committee, showed that there is concern about the gap in the appropriate level of consultation. I understand that the Minister hopes to ponder on that issue, but I would suggest that he table a Government amendment on Report, which we could consider. I would be more than happy to discuss any such amendment with him. I suspect, however, that he will not do that.

I repeat that there are fundamental weaknesses on capacity, which amendment 20 would address, and on consultation, which amendment 33 would address. I would therefore like to test the opinion of the Committee on those amendments.

The Temporary Chairman (Martin Caton): Only amendment 20 can be pressed at this time.

Question put, That the amendment be made.

The Committee divided: Ayes 202, Noes 312.

Division No. 38] **[8.38 pm**

AYES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
David, Mr Wayne
Davidson, Mr Ian
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Mrs Sharon Hodgson and Mary Creagh

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise

Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, Mr Gregory
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Jackson, Mr Stewart
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James

Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Shailesh Vara and Jeremy Wright

Question accordingly negatived.

Caroline Lucas: I beg to move amendment 1, page 2, line 1, leave out paragraph (a) and insert—

(a) the school follows the National Curriculum;'.

The Temporary Chair (Martin Caton): With this it will be convenient to discuss the following: amendment 25, page 2, line 2, at end insert

'and follows the National Curriculum in science, mathematics, information technology and English;'.

Amendment 30, page 2, line 2, at end insert

'and where appropriate section 40 of the Childcare Act 2006'.

Amendment 26, page 2, line 2, at end insert—

'(0) the school has a curriculum which includes personal, social and health education as a statutory entitlement for all pupils;'.

Caroline Lucas: As Members will know, the amendment proposes that academies should follow the national curriculum. Under the Government's proposals, once a state-maintained school becomes an academy, it is no longer required to follow the national curriculum. *[Interruption.]*

The Temporary Chair: Order. There is an awful lot of background noise in the Chamber at present. I cannot hear the speaker, and I am sure many others cannot either.

Caroline Lucas: As I was saying, under the Government's proposals once a state-maintained school becomes an academy, it is no longer required to follow the national curriculum and that is of particular concern in respect of state-maintained faith schools that convert to become faith academies. Interestingly, a recent poll found that 75% of people agree or strongly agree that all state-funded schools should teach an objective and balanced syllabus for education about a wide range of religious and non-religious beliefs.

The Government appear to be unconcerned about the public's view on that as they allow a significant risk that some religious authorities will use this new freedom under the Bill to pursue restrictive teaching in line with their religion. There are no specific protections in the Bill to ensure that the duty to offer this so-called balanced and broadly based curriculum cannot be neglected or evaded. That is a cause for great concern.

The previous Government introduced a change so that academies had to follow the national curriculum in English, maths and science, and the teaching of evolution was, of course, covered in that. I have tabled my amendment because the coalition Government propose that academies should be entirely free from the national curriculum. If the Bill is not amended, there will be no requirement on academies to teach evolution, and the Government do not even appear to have plans to prevent the teaching of creationism in academies.

We know that some academy sponsors want creationism to be taught. Emmanuel college in Gateshead, backed by the philanthropist Sir Peter Vardy, attracted controversy by teaching pupils about creationism, and pupils at the school reported that creationism was taught alongside evolutionary theory as being an equally valid belief. How will Ministers ensure that pupils at religious academies receive objective and evidence-based teaching and that creationism is not taught in science lessons or as fact?

Stephen Pound: I share the hon. Lady's concerns and I raised this very point with the Secretary of State when he was on the Front Bench earlier this week. He replied that at Emmanuel college there was no teaching of creationism. I am a reasonable human being and I am inclined to believe the Secretary of State. However, does the hon. Lady have any evidence that this teaching is continuing, because if that is the case, the whole House will be very worried?

Caroline Lucas: I thank the hon. Gentleman for his intervention. My notes tell me that this information came from a National Union of Teachers briefing. I imagine that the NUT is up to date with what is being taught in schools, but I am happy to check that and come back. This teaching has been going on, as it does in other countries where academies are fully fledged, such as the United States. So it certainly is not outside the realms of possibility that not only is it continuing in that particular academy, but that it is happening in a widespread fashion in a number of academies. The point is that there is nothing in the Bill to stop this happening. Even if it has stopped over the past few weeks or months at one particular academy, there is nothing to prevent it from happening again. That is the real concern.

It beggars belief that the Minister in the other place said that although he shared the concerns raised about creationism,

"one of the core aims of the policy is precisely that the Secretary of State should not dictate to academies what they should teach…I fully accept that if you trust people things do go wrong, but that is the direction that we want to try to go in."—[*Official Report, House of Lords*, 7 July 2007; Vol. 720, c. 299.]

I commend him on his honesty at least, but the substance of what he said is very worrying.

Although, at the moment, the national curriculum does not include statutory sex and relationships education, it does ensure that maintained faith schools teach sexual reproduction as part of the science syllabus. Nothing in the new, deregulated system proposed by this Bill would oblige religious academies to do the same. Personal, social and health education—PSHE—was debated at length in the other place, yet we see no Government move on it as yet. Instead, the Government argued that making PSHE a curriculum requirement under the Bill was not the right way to go, as the best place to consider this was in the forthcoming national curriculum review. Yet, of course, the Government want academies to be free of the national curriculum.

Kelvin Hopkins (Luton North) (Lab): A recent television report said that there are six times as many teenage pregnancies in Britain than in Holland, yet Holland's

schools have much more rigorous education on sexual and reproduction matters. Is that not of fundamental importance?

Caroline Lucas: I thank the hon. Gentleman for his intervention, because it absolutely proves the case that education is a key way of ensuring that we do not have a huge number of unwanted teenage pregnancies. Education does not lead young people suddenly to think of doing things that they might not have thought of doing were they not to have had that education. On the contrary, education is one of the best forms of contraception.

The British Humanist Association has asked, legitimately, whether a new, state-funded, Catholic academy would be allowed not to teach sexual reproduction in biology lessons, let alone wider and more objective sex and relationships education. Again, as far as we can see, nothing in the new, deregulated system proposed by the Bill would seem to prohibit that from happening.

These are not the only concerns, because despite this being paid for by the taxpayer, sponsors of academies have enormous powers to dictate how and what pupils learn more generally. I read today with horror that one academy is apparently installing a "call centre" so that pupils' "aspirations" can be raised by training for this type of work. In Manchester and Birmingham, for example, a range of academies are being planned, each specialising in preparing pupils for employment in specific industries or commercial activities. I read that Manchester airport, which is one such prospective sponsor, has overtly stated that the principal purpose of its academy will be to provide employees for the airport. That is a pretty reductionist interpretation of the purpose of education. That is why we must ensure that academies do follow the national curriculum, which is what my amendment seeks to do.

Steve Baker (Wycombe) (Con): As the hon. Lady mentions the subject, may I say that that does seem an absurdly reductionist approach to academies? Could she explain what she believes the purpose of education is?

Caroline Lucas: I am grateful to the hon. Gentleman for giving me the opportunity to expand more widely on this point. I believe that the purpose of education is to enable the potential of every human being to be properly fulfilled, whatever that might be in—it might be in a very academic, artistic or practical way. What education is not about is giving very narrow training for a specific job that has somehow been set up already by the time a child goes into an academy at a young age. We risk dumbing down in a worrying way for the pupils who come through our schools if that is what we think education is about. Education should be for life. It is about fulfilling people's potential and is not about becoming a narrow cog in a wheel.

9 pm

Dan Rogerson: The hon. Lady is speaking in very inspirational terms about education and I happen to agree with her on this point. However, I do not recognise in the national curriculum, in all its glory, that has been forced on teachers in all schools, the freedom to teach in that inspirational way. I recognise her concerns about the possible dangers and I hope that the Minister will reply to them, but, by tying schools to the national curriculum, the hon. Lady's amendment would do a disservice to young people, who might want the sort of education that she is describing.

Caroline Lucas: I thank the hon. Gentleman for his intervention. I do not think that the national curriculum is the best possible curriculum we could have but it is a bulwark and a protection against the kind of laissez-faire approach that will be unleashed by the Bill if we do not have some protections. I assure the hon. Gentleman that if we had more time and if I had more of my colleagues on these Benches, I would love to put forward a Green party policy on the kind of inspirational education that I would love to see. That is in our manifesto. Right now, though, we are looking at damage limitation and that is what my amendment is about. I want to make sure that we do not have sponsors imposing on wide numbers of pupils their personal views about what education should be about. That is why my amendment is important.

Chris Skidmore: Does the hon. Lady agree that having freedom from national curriculum restrictions was extremely valuable for the academies that the previous Government set up in deprived communities? Those academies were able to filter down subjects and to teach maths and English in ways that the national curriculum would have prevented. I know that she is talking off her brief and I have enjoyed listening to the National Union of Teachers' briefing that she has produced today, but she might like to know, given her praise of the Netherlands' system, that the Netherlands does not have a national curriculum.

Caroline Lucas: I assure the hon. Gentleman that the only part of my notes that is from the briefing from the NUT, much as I respect it, is the reference to the particular school I mentioned. I have made it very clear that even if that practice is not carrying on at that school, the wider point remains that it could carry on in any academy at any time because there is absolutely no protection in the Bill to prevent sponsors from imposing on schools any particular educational direction that they choose. That is deeply worrying and that is why there is, for the moment, a need for the national curriculum as a protection against that kind of utter and complete deregulation.

In answer to the hon. Gentleman's question about whether the freeing of academies from the national curriculum has been a positive thing, there is no overall evidence that academies perform better than other schools. Where academies have done better, it is often because they have managed to exclude more children and to use a different kind of curriculum by choosing from within the curriculum the subjects to pursue—possibly less rigorous ones academically. There is no educational argument in favour of academies—even those under the previous Government's proposals. The Green party and I were not in favour of academies under the previous Government and we are even less in favour of them under this Government, because it is quite clear that they are going in the wrong direction.

Jeremy Corbyn (Islington North) (Lab): I am sorry that I missed part of the hon. Lady's speech. Will she confirm that removing academies from the ambit of the

[Jeremy Corbyn]

national curriculum, as the Bill suggests, will restrict the career and life choices of those students who might leave those schools under-educated and not having been exposed at all to certain subjects?

Caroline Lucas: I thank the hon. Gentleman for his wise observation. He is exactly right. If children are put into particular training perspectives very early on, the wider set of possibilities and potential that could have been available to them will no longer exist if they have only the particularly narrow kind of education that the sponsors of academies often seem to pursue. I thank all hon. Members who have intervened and I stand by my amendment.

Diana R. Johnson (Kingston upon Hull North) (Lab): I wish to speak to amendments 25, 30 and 26 in my name and those of my right hon. and hon. Friends, but first I turn to amendment 1, the lead amendment, in the name of the hon. Member for Brighton, Pavilion (Caroline Lucas), who has just passionately explained why she put it forward.

The Opposition do not support amendment 1, which is designed to make academies adopt the whole national curriculum. The previous Labour Government's view was clear on the curriculum that an academy should follow. We said that the core national curriculum subjects of science, mathematics, information technology and English should be taught in academies, but that left room for flexibility so that academies could design their own, local curriculum to meet the needs of their local population.

The Opposition still take the view that that is the most appropriate approach to the curriculum in academies, in marked contrast to clause 1(6)(a), which refers only to the requirement for a broad and balanced curriculum. Amendment 25, which sets out the core subjects that all pupils should be required to study, would provide the best approach to ensuring that those important subjects were taught in academy schools, while retaining some flexibility for academies. I hope that the hon. Member for North Cornwall (Dan Rogerson), who spoke from the Liberal Democrat Benches, feels able to support that approach.

Amendment 30 sets out the Opposition's view that section 40 of the Childcare Act 2006 should apply to academies.

Stephen Pound: Before my hon. Friend moves on from amendment 1, I note that the hon. Member for Brighton, Pavilion (Caroline Lucas) mentioned the temptation for some academies to structure that local element, to which my hon. Friend referred, towards local employment possibilities. The pedagogic tradition of Mr Gradgrind and Dr Dryasdust concerned the hon. Lady during the early part of her speech, but the latter point concerns me. In the Opposition's amendments is there anything to prevent the situation to which the hon. Lady referred, in which an academy is in effect the employment feeder for a local company, from occurring?

Diana R. Johnson: The Opposition want every pupil in an academy and any school to reach their full potential, and closing off options early on to pupils is not the appropriate approach.

Amendment 30 sets out the Opposition's view that section 40 of the Childcare Act 2006 should apply to academies. Now that academy status will be open to primary schools, I am concerned that the Bill is ambiguous about the care and education of young children, and that section 40 of the 2006 Act does not refer to academies. That is understandable, because at the time only secondary schools could become academies, but a few all-through academies have now been developed.

Amendment 30 would introduce a clear duty to implement the early years foundation stage in academies with a nursery, ensuring that early years education in academies met the learning and developmental requirements of young children and complied with welfare requirements, too. That in turn would guarantee all young children in academies the same balanced, age-appropriate and play-based standard of care and education as children in maintained and independent schools. The Opposition believe that that is a sensible way to ensure that the excellent and well regarded early years curriculum is applied in academies. I am concerned that the Bill is silent on that subject, so it would be helpful to have a commitment to the early years foundation stage in the Bill. I listened very carefully to the Minister's earlier remarks, but it would be better if the measure were clearly signposted in the Bill.

Amendment 26 would require academies to include personal, social, health and economic education on their curriculum and to make PSHE mandatory.

Chris Skidmore: I do not see economic education mentioned in the amendment—am I misreading it?

Diana R. Johnson: When this matter was before the House in the last Parliament, economic education was part of PSHE, but I may be mistaken in still calling it that. The original name was personal and social health and education. I think that the previous Government tried to insert "economic" to make it clear that economic education was very important to young people to give them information about bank accounts and how to budget accordingly.

Chris Skidmore: If the hon. Lady is not quite certain herself about what the amendment should mean or what the definition is, surely she should withdraw it and bring it back at a later stage.

Diana R. Johnson: With the greatest respect to the hon. Gentleman, who is a very new Member of this House, it is clear, having checked the amendment, that I have made a mistake, as I said. I tried to explain why the previous Government wanted to include economic education in PSHE. We want to make PSHE mandatory in academies, and I am keen to set out why the Government have got this completely wrong.

Pupils are pupils whether they attend an academy or any other type of school, and they all need to develop the life skills to make choices on subjects such as nutrition, sex and relationship education, and personal finance. In many constituencies across the land, we are very concerned about levels of teenage pregnancy. A few moments ago, my hon. Friend the Member for Luton North (Kelvin Hopkins) spoke about teenage pregnancy rates in European countries where there is comprehensive sex and relationship education. The hon.

Member for Brighton, Pavilion also touched on that subject. We believe that making PSHE mandatory in academies and, indeed, in all schools is the way forward to ensure that young people have the information they need to make sensible and good life choices.

Dan Rogerson: I understand the point that the hon. Lady is making. I agree that it is important that all schools should have this subject as part of the curriculum; I have believed that for a long time. I understand that when there was a debate on this in the other place, a similar amendment was tabled by her noble Friends. However, given that the amendment has to work within the confines of this Bill and is therefore restricted to the new academies that it covers, it would not achieve the aims that she is talking about. Does she concede that this might not be the time and place to do this, and that we need to revisit the issue across the piece?

Diana R. Johnson: This Bill is about academies, and we have made it clear in the amendment that we want to make PSHE mandatory in academies. The position taken by my party is that we believe that PSHE should be mandatory in all schools—academies and non-academies.

We want to put PSHE on a formal footing to send out a clear message in academies about how important the subject is and how important it is to develop it as a professional subject and to train more teachers in it. Many schools already provide very good PSHE, including some academies, but more can still be done to improve its teaching. Hon. Members will know that in the previous Parliament the Labour Government attempted to legislate in the Children, Schools and Families Bill to make PSHE compulsory for all pupils in all schools, including, importantly in this case, academies. The key principles that we set out in that Bill were to make the teaching of PSHE promote equality, encourage the acceptance of diversity, and emphasise rights and responsibilities and the need to reflect on contrasting attitudes within society—in other words, to give children and young people the opportunity truly to develop their life skills. At that stage, the Liberal Democrat coalition partners fully supported the Labour Government's policy of making PSHE compulsory for all pupils, including those in academies. It will be interesting to see tonight whether the Liberal Democrats now differ in their position.

Young people and parents both tell us that they want PSHE taught in schools. A National Children's Bureau report showed that children wanted to be able to talk about issues important in their lives, such as emotions, relationships, mental health, sexual health and so on. In a popular survey, 81% of parents agreed that every child should have sex and relationship education as part of the curriculum, and in a survey by Parentline Plus, 97% of parents said that they wanted drug and alcohol education to be delivered in schools. The National Institute for Health and Clinical Excellence recently recommended that all primary schools should teach PSHE.

9.15 pm

Parents say that they do not always have the knowledge, skills or confidence to engage their youngsters in discussion on the sensitive matters of sex and relationships and drugs. Of course, the Liberal Democrats may wish to reflect on the fact that people can often get themselves into undesirable relationships if they have not had the opportunity to really think things through and consider all their options.

We know that PSHE fosters self-esteem and builds confidence, which we always want to encourage in our young people. In 2009, Sir Alasdair Macdonald held a review of the then Labour Government's proposals to make PSHE a statutory foundation subject. He made it clear that PSHE was important because of the

"unique body of knowledge, understanding and skills"

that it brings our young people.

Our amendment 26 would make the provision of PSHE mandatory in academies, but we still also take the view that we want academies to have good, open communication with parents on the issue of PSHE, and that each individual school and academy should develop sex and relationships policies.

George Hollingbery (Meon Valley) (Con): From reading the amendment, I am slightly confused. Perhaps the hon. Lady is about to develop this point, but what is the difference between compulsion and PSHE being mandatory, which is not mentioned in the amendment, and a "statutory entitlement", which is?

Diana R. Johnson: We believe that all academies—we are dealing only with academies this evening—should have the subject of PSHE on the curriculum within the school day. That is what the amendment is intended to achieve. At the moment, as I understand it, and the Minister will correct me if I am wrong, it will be down to academies to decide for themselves how, whether and in what format they wish to deliver PSHE. That is my understanding of the Government's position.

Jeremy Corbyn: Is my hon. Friend aware of any pressures being placed on the Government by those who have ambitions to run academies to ensure that they are free from what they would see as the constraint of having to have PSHE in their curriculum? It seems to me that there are some forces out there that are not particularly benign towards a society in which young people grow up recognising the need to understand relationships and to be equipped with the appropriate life skills at the end of their compulsory school years.

Diana R. Johnson: My hon. Friend makes an interesting point. We will have to see who comes forward to sponsor academies. I have not been given any information about any particular sponsor who might take that view, but we need to wait and see.

As the hon. Member for North Cornwall said, the same amendment was debated in the other place. It was clear there that the Government accepted that there was broad agreement on the importance of PSHE but argued that there were differences of opinion on the way forward. We have been debating and discussing PSHE for far too long, and we need to get on and do something about it now. The Secretary of State for Education has said several times in the House recently that he is in a hurry in his zest to reform education, as can be seen in the speed at which the Bill is going through Parliament. I say to the Government, please let us be in a hurry on PSHE. Let us get on with it and do what we all agree should happen, to prepare our young people with the life skills that they need.

George Hollingbery: May I pursue my point a little further? I am a new Member, so forgive me if I am incorrect. Amendment 26 would require

"a statutory entitlement for all pupils"

to PSHE, but it does not mention compulsion or say that PSHE should be mandatory. Could pupils who wish to opt out of PSHE do so? The word used in the amendment is "entitlement," not "compulsion."

Diana R. Johnson: The proposal is as it is. In the previous Parliament, there was a long debate on opting out of PSHE, especially regarding sex and relationship education. The proposed amendment does not address that matter, but if the Government were minded to accept it, they may have to consider it further. The proposal is for

"a statutory entitlement for all pupils"

in academies.

There was huge disappointment among parliamentarians and many other organisations at the failure of the previous Parliament to legislate on PSHE owing to the fact that the Conservative party would not accept the PSHE clauses in the Children, Schools and Families Act 2010 during the wash-up period. The Conservatives and Liberal Democrats now have an opportunity for an early win on PSHE for our young people who will be educated in academies.

Dan Rogerson: The hon. Lady's telling of events of the closing days of the previous Parliament is interesting, but obviously, the wash-up process is somewhat arcane for those of us who were not party to the negotiations. Could the previous Government have dug their heels in and pushed for those PSHE clauses with other interested parties?

Diana R. Johnson: I, too, was not party to those negotiations, but I understand that that was not possible.

I intend to press amendment 26 to a Division to test the opinion of the Committee on that very important proposal.

Mr Gibb: Amendment 1 would require all academies established in future to follow the national curriculum rather than one that satisfied

"the requirements of section 78 of the EA 2002",

which is that academies must provide a

"balanced and broadly based curriculum".

Amendment 25 would mean that new academies would be required to teach the national curriculum in

"science, mathematics, information technology and English".

Academies have been regulated since their inception by funding agreements. The previous Government took the stance—for many years—that that was the appropriate mechanism, and we agree with them. We intend to retain the funding agreement as the principle regulatory mechanism for academies. Via the new model funding agreement, academies will be required to teach English, maths and science as part of a broad and balanced curriculum. Beyond that, they can choose a curriculum that both engages and meets the needs of their pupils.

The freedoms in the academy system allow school leaders and teachers to be innovative in their approaches to raising standards and improving pupil engagement by tailoring the curriculum to the needs of their students in response to the type and quality of education demanded by parents. We trust teachers to use their professional judgment. They are the people who are best-placed to make such decisions. We want more freedom and flexibility for schools, not less.

Kelvin Hopkins: I am listening to the Minister with interest, but I am somewhat astonished. I remember him when he was in opposition speaking strongly in favour of using synthetic phonics in teaching, with which I entirely agree, and advocating imposing requirements on teachers as to how they teach. However, now he is taking a Maoist approach—let a thousand flowers bloom—and giving teachers the freedom to do what they like. That is something of a contradiction.

Mr Gibb: The Conservatives have never said, either in opposition or in government, that we will pass a law requiring teachers to teach in that way, although it is the law—as introduced by the previous Government—that phonics should be the method used to teach children to read. I believe, as does the hon. Gentleman, that that method raises standards. We believe that schools should use best practice and we will not countenance schools that use methods that do not result in young people being able to read early in their school careers, which is why we are introducing a test of children's reading skills for six-year-olds. We will say more about that in the weeks and months ahead.

The hon. Gentleman will also wish to know that we are planning a review of the national curriculum that will inform our proposals for a set of core knowledge. We expect that each academy will want to incorporate that into its curriculum and that there will be parental pressure for them to do so. However, that will be an expectation, not a requirement. We believe that the freedom to be imaginative with curriculum design within a broad and balanced context is a core freedom at the heart of the academies programme that will underpin the improvement in standards that we all want for our schools.

Kelvin Hopkins: Again, I am listening with interest to what the Minister is saying, but he will know, as I do, that there is a wide range of teaching philosophies among teachers, some of which are successful and some of which are not. We have suffered from this for the past couple of generations. There are apparently 1 million people in London who cannot read because of mistaken teaching techniques. Is it not time that we started to require successful teaching methods to be adopted in all our schools?

Mr Gibb: I would hate to be on the opposite side of this argument with the hon. Gentleman. He will have to wait until we make our announcements on this, but there are going to be reforms to initial teacher training, to the tests at age six, and to the training of teachers through continued professional development to ensure that they all use best practice in teaching children to read.

Evidence from the National Reading Panel in the United States and elsewhere overwhelmingly suggests that using early systematic synthetic phonics in the

teaching of reading is the most effective way of teaching young children to read. That is my personal view, too. In particular, it closes the gap between boys and girls and between children from poorer backgrounds and others. I have to say, however, that there might well be other methods that the hon. Gentleman and I have not come across that could be even more effective than systematic synthetic phonics. I would like to see what they are, but we cannot rule out teachers being innovative and using such methods, if that results in children learning to read sooner and more effectively.

Jeremy Corbyn: May I take the Minister back to the subject of PSHE teaching? If an academy does not include it in its curriculum because the governors do not believe it to be appropriate, but groups of parents want it to be taught in the school, who will decide whether the parents' wishes should be granted? Might they be prevented from allowing their children to receive PSHE education?

Mr Gibb: That is the position in every school at the moment. PSHE is not a statutory requirement in any maintained school or academy. The essence of our reforms is to give parents greater choice—a genuine choice, not the faux choice that parents in many areas now face when they have been denied their first choice of school. The thrust of the Bill, and of the Government's education policy more generally, is to give parents more choice by providing a diverse range of schools to which they can send their children. They will then be able to find a school with the education orthodoxy and philosophy that they agree with, and that could also involve subjects such as PSHE.

Amendment 30 seeks clarity about the arrangements for the very youngest in our schools. I hope that I can reassure hon. Members that the amendment is not needed, because the requirements it seeks are already in place. It seeks to ensure that the provisions in the Childcare Act 2006 relating to learning and development, welfare and assessment will apply to every academy that provides for the very youngest children. However, the Act already provides for that. Section 40 requires all schools to deliver the early years foundation stage if they provide for pupils aged three to the end of the academic year in which they turn five. That includes independent schools. The Act does not use the word "academy", but academies are legally categorised as independent schools, and all schools providing for the under-threes—academies, independent and maintained schools—are required to register with Ofsted and to deliver the early years foundation stage. There is a limited number of exemptions from that requirement, such as when the provision is for a very short amount of time per day, but the requirement applies to all providers, and there is no difference for academies.

I should also point out that the Minister of State, Department for Education, my hon. Friend the Member for Brent Central (Sarah Teather) announced on 6 July an independent review of the early years foundation stage, which will report in the spring of 2011. It will look at precisely the areas that hon. Members—the hon. Member for Kingston upon Hull North (Diana R. Johnson) in particular—wish to deal with in the amendment. I hope that that provides further reassurance.

9.30 pm

Amendment 26 would require all new academies to teach PSHE—I will give the hon. Lady that—as a statutory subject. This issue was debated at length in Committee and on Report in the other place, and no one doubts the importance of children learning these essential skills for life. However, we know that many academies are teaching PSHE right now and teaching it very well. There is no reason to believe that academies teach PSHE any less well than maintained schools, or that a maintained school that becomes an academy will suddenly teach it less well. The key point is that if we make PSHE a statutory part of the curriculum in academies, it will mean imposing greater requirements on academies in this respect than on maintained schools, where PSHE is not a statutory subject. We are not in the business of reducing freedoms for academies; that is not the direction we want the academies programme to be travelling in. In addition, it does not make sense to single out PSHE and place it on a statutory footing, while not doing so for other subjects. That does not seem the right thing to do in this circumstance.

Diana R. Johnson: Is it now the coalition Government's position that they are not going to proceed with making PSHE statutory in maintained schools or academies?

Mr Gibb: The coalition's position is that we are having a curriculum review and all these issues will be addressed in it.

Mr David Burrowes (Enfield, Southgate) (Con): I commend the position that my hon. Friend is taking on amendment 26. Does that amendment not highlight the seeming lack of respect for the fact that governors, in conjunction with parents and teachers, take PSHE seriously, are concerned about its quality and want it to be properly taught with proper values-based teaching underlying it?

Mr Gibb: My hon. Friend is absolutely right, and that is the sort of issue we will look at when the review takes place. The curriculum review that is taking place later this year must be the right place to look at PSHE, to ensure that this important subject is debated properly. Members will have every opportunity to contribute to that debate, but at this point it makes sense to ensure that academies' policy on PSHE does not go further than PSHE policy in maintained schools.

Clause 28 of the model funding agreement already states:

> "The Academy Trust shall have regard to any guidance issued by the Secretary of State on sex and relationship education to ensure that children at the Academy are protected from inappropriate teaching materials and they learn the nature of marriage and its importance for family life and for bringing up children."

I hope that that provision reassures my hon. Friend the Member for Enfield, Southgate (Mr Burrowes) and the hon. Member for Brighton, Pavilion (Caroline Lucas), who raised the question of why the national curriculum is not on the statute book for academies. As I mentioned before, there is statutory provision in section 78 of the Education Act 2002 for a broad and balanced curriculum. Creationism cannot be taught as fact in academies or in maintained schools, and it cannot be taught as part of science lessons. The hon. Lady's notion of the purpose of education—enabling the potential of any individual to be fulfilled, whether that is academic or vocational—I

[Mr Gibb]

agree with 100%. She is absolutely right: fulfilling the potential of every child to the best of their ability, in whatever field that is, is the purpose of education.

The hon. Lady referred to the Manchester academies, which are jointly sponsored by the local authorities and by business. Their ethos is built around this partnership and is not solely related to the skills needs of those businesses. As I said before, the Bill requires academies to have a broad and balanced curriculum, so she can be reassured that the things she described as happening at those academies are not happening.

Dan Rogerson: Earlier, I talked about monitoring the meeting of the criteria. On ensuring that academies deliver a broad-based curriculum, would there be a number of triggers—things that would concern Ofsted and encourage it to take an interest in an academy, if reports of them reached it?

Mr Gibb: Ofsted will, of course, continue to inspect academies. It will conduct those inspections against the independent school standards, which are rigorous, and against section 78 of the 2002 Act. If it discovers that a school is not teaching a broadly balanced curriculum, the school will be put into special measures, so I think that my hon. Friend can be reassured. The reports will, of course, be monitored on behalf of the Secretary of State by the Young People's Learning Agency. I hope that with those few remarks I have reassured all hon. Members on both sides of the House—

Jeremy Corbyn: Not me.

Mr Gibb: Apart from the hon. Gentleman, who is rarely reassured by any Front Bencher on either side of the House. On the basis of my remarks, I urge hon. Members not to press their amendments.

Caroline Lucas: I thank the Minister for his reply, but he will not be surprised to hear me say that I do not think that he goes far enough. Nothing in what he said reassures me that academies will teach a genuinely objective and balanced curriculum. Perhaps part of the problem is in the language, because what might feel objective and balanced to one person is patently not to another. There are not sufficient safeguards in the Bill to prevent the real risks that other hon. Members and I discussed; they are just not there. However, reluctantly, I have decided not to push the amendment to a vote. I beg to ask leave to withdraw the amendment, but I hope very much that this debate means that the Government will give more thought to those particular concerns.

Amendment, by leave, withdrawn.

Amendment proposed: 26, in clause 1, page 2, line 2, at end insert—

> ( ) the school has a curriculum which includes personal, social and health education as a statutory entitlement for all pupils;'.—*(Diana R. Johnson.)*

Question put, That the amendment be made.

The Committee divided: Ayes 200, Noes 314.

Division No. 39] **[9.37 pm**

AYES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
David, Mr Wayne
Davidson, Mr Ian
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Doyle, Gemma
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Elman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Love, Mr Andrew
Lucas, Caroline
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie

Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Helen Jones and Lyn Brown

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, Mr Gregory
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, rh Mr George
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Jackson, Mr Stewart
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
Mcintosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Opperman, Guy
Paice, Mr James
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher

Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Shailesh Vara and Jeremy Wright

Question accordingly negatived.

Amendment proposed: 23, page 2, line 8, at end insert—

(e) the school must comply with the provisions of the Code for School Admissions issued from time to time by the Secretary of State.".—*(Diana R. Johnson.)*

Question put, That the amendment be made.

The Committee divided: Ayes 118, Noes 321.

Division No. 40] **[9.50 pm**

AYES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
David, Mr Wayne
Davidson, Mr Ian
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hepburn, Mr Stephen
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mahmood, Mr Khalid
Mahmood, Shabana
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas

Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Speller, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Helen Jones and Lyn Brown

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, Mr Gregory
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Huppert, Dr Julian
Jackson, Mr Stewart
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, Mr James
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John

Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Shailesh Vara and Mark Hunter

Question accordingly negatived.

Mr Nicholas Brown (Newcastle upon Tyne East) (Lab): On a point of order, Mr Evans. Rather a lot of Members who voted in the Aye Lobby seem to have slipped away. Will you please check that the count has been reported accurately?

The First Deputy Chairman of Ways and Means (Mr Nigel Evans): Will the Tellers please come to the Table so that the numbers can be clarified? There now appears to have been a recount. The Ayes were 218, and the Noes were 321. The Noes still have it.

10.5 pm

Proceedings interrupted (Programme Order, 19 July).

The Chair put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83D).

Amendment proposed: 27, page 2, line 8, at end insert—

(e) the school complies with provisions on pupil exclusions and behaviour partnerships as set out in EA 2002, EIA 2006 and ASCLA 2009.'.—*(Vernon Coaker.)*

Question put, That the amendment be made.

The Committee divided: Ayes 213, Noes 327.

Division No. 41] **[10.5 pm**

AYES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat

McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Lyn Brown and Helen Jones

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, Mr Gregory
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
George, Andrew
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Huppert, Dr Julian
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick

McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mark Hunter and Jeremy Wright

Question accordingly negatived.

Clause 1 ordered to stand part of the Bill.

Clause 6

EFFECT OF ACADEMY ORDER

Amendment proposed: 14, page 4, line 21, leave out subsections (3) and (4).—*(Vernon Coaker.)*

Question put, That the amendment be made.

The Committee divided: Ayes 213, Noes 322.

Division No. 42] **[10.19 pm**

AYES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian

MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Lyn Brown and Helen Jones

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunter, Mark
Huppert, Dr Julian
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim

Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Miss Chloe Smith and Mr Shailesh Vara

Question accordingly negatived.

Clauses 6 and 9 ordered to stand part of the Bill.

Clause 10

CONSULTATION: ADDITIONAL SCHOOLS

Amendment proposed: 33, page 7, line 13, leave out subsection (1) and insert—

'(1) Before entering into Academy arrangements with the Secretary of State in relation to an additional school, a person must consult—

(a) local parents and children,

(b) local schools,

(c) the relevant local authority,

(d) all school staff and their representatives, and

(e) any other persons deemed appropriate.'.—*(Vernon Coaker.)*

Question put, That the amendment be made.

The Committee divided: Ayes 213, Noes 317.

Division No. 43] **[10.33 pm**

AYES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hillier, Meg

Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Lyn Brown and Helen Jones

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew

Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Miss Chloe Smith and
Mr Shailesh Vara

Question accordingly negatived.

Clause 10 ordered to stand part of the Bill.

The occupant of the Chair left the Chair to report progress and ask leave to sit again (Programme Order, 19 July).

The Deputy Speaker resumed the Chair.

Progress reported; Committee to sit again tomorrow.

Business without Debate

SITTINGS OF THE HOUSE (27 JULY)

Ordered,

That, on Tuesday 27 July, the House shall meet at 11.30 am and references to specific times in the Standing Orders of this House shall apply as if that day were a Wednesday.—*(Sir George Young.)*

ADJOURNMENT OF THE HOUSE (27 JULY)

Motion made,

That, on Tuesday 27 July, the Speaker shall not adjourn the House until any message from the Lords has been received, any Committee to draw up Reasons which has been appointed at that sitting has reported, and he has notified the Royal Assent to Acts agreed upon by both Houses.—*(Sir George Young.)*

Hon. Members: Object.

Sheffield Forgemasters

Motion made, and Question proposed, That this House do now adjourn.—*(Stephen Crabb.)*

10.45 pm

Mr Clive Betts (Sheffield South East) (Lab): Thank you, Mr Deputy Speaker—*[Interruption.]*

Mr Deputy Speaker (Mr Nigel Evans): Order. Would Members who are leaving the Chamber do so quietly?

Mr Betts: Normally when a Member speaks in an Adjournment debate at this time of night, they stand in the Chamber in splendid isolation. It is obviously pleasing to see so many right hon. and hon. Friends here tonight, particularly four other Sheffield MPs, my right hon. Friend the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), and my hon. Friends the Members for Penistone and Stocksbridge (Angela Smith), for Sheffield, Heeley (Meg Munn) and for Sheffield Central (Paul Blomfield). It is also pleasing to see my right hon. Friend the Member for Rotherham (Mr MacShane) and many other colleagues.

This issue affects not merely Sheffield—it has touched a nerve across the nation—but forging and forgemasters are very important in the history of Sheffield. As a child growing up in the city, the pounding of the drop forges down in the Don valley, which is now part of my constituency, was like the very heart of the city beating.

However, this debate is not only about the history of industry in Sheffield, but about its future. In 2005, when the company was part of the Aitchison group, there were major financial difficulties. Eventually, the company was saved by a management buy-out led by chief executive Graham Honeyman, who by putting his own money in saved the firm, its workers' jobs, debts to suppliers and, with the help of the pension protection fund, the workers' pensions. Despite initial problems with cash flow and rising energy prices, the company became profitable and increased in size to 700 employees, taking on 70 new apprentices. The company has full order books and 80% of its work is for export, and it has a turnover of £100 million. All the company's profits to date have been reinvested.

Two or three years ago, the company saw a major opportunity in the nuclear industry. With £150 million of investment, it could buy a 15,000 tonne forging press. However, as that was larger than the company's total annual turnover, it needed additional help. It went to my friend, the previous Member for Sheffield Central, Richard Caborn, who deserves a great deal of credit for the help he gave at that time.

That package would have created 400 jobs. The Government were approached and over a two-year period, very detailed negotiations were held. Eventually, an £80 million loan was agreed as part of a package involving private investment, including support from Westinghouse, loans and equity release. There was a full appraisal by Department for Business, Innovation and Skills officials and Treasury officials. It was confirmed in parliamentary answers that the independent Industrial Advisory Board gave its assessment, and that Deloitte and Allen & Overy looked at market opportunities and additionality, and at cost-benefit and commercial considerations. After all that, it was concluded that a loan of £80 million was the right way to go as part of an overall package. The loan was also part of an industrial strategy with a nuclear research centre and the Advanced Manufacturing Park. I do not think that France and Germany would have such a dilemma about what to do about investing in such a company.

After the election, we were told that there would be a review. Funnily enough, most of the reviews that took place actually approved schemes that were in train, so let us examine what the review of the Forgemasters loan amounted to. There was no new cost-benefit analysis and no new external advice was sought. Indeed, the Government did not get back to the original advisers. There was no contact with Forgemasters. The first time the company learned anything of the review was when the chief executive got a phone call from a Minister, who said, "Your loan has been withdrawn." That is no way to carry out a review. The kindest thing I can say is that it was a virtual review; the worst thing I could say is that it was an absolute sham.

Since then, various reasons have been given for the refusal of the loan, including that the directors would not dilute shares. The Deputy Prime Minister and the Prime Minister said that, but the former has had to write to the chief executive to apologise for making inaccurate statements, although he did not apologise today in the House.

Private funding was involved via an element of equity release, but the company would not continue with extra equity release to the point at which control passed back to an absentee owner—the very sort of owner that nearly bankrupted the company in 2005 when the workers and management had to save it.

It was said that commercial options were available. Indeed, the Lib Dem leader of Sheffield city council, Councillor Paul Scriven, said that the commercial markets would provide the money. Will the Minister confirm that at a meeting with Forgemasters and his officials the other day, it was agreed that there were no straightforward commercial options without the loan?

We have been told that there is no money, and that this is unaffordable, but we are talking about an £80 million loan, not a grant. It would have been repaid with interest, making a repayment of £110 million, plus additional money from equity warrants if the investment had been successful, plus the tax revenue from those employed by Sheffield Forgemasters and by companies in the supply chain such as Davie Malcolm, Siemens and Rolls-Royce. This loan would actually have made a profit for the Treasury. The Business Secretary almost admitted as much to the Select Committee the other day.

We were also told that the loan had been a pre-election bribe to buy up a few votes at the general election, but the negotiations had been going on for between 18 and 24 months before the election. So what was the real reason for this decision?

Angela Smith (Penistone and Stocksbridge) (Lab): I have here correspondence released following a freedom of information request. It indicates that Andrew Cook, of William Cook Holdings, wrote to the Government to urge the cancellation of the loan. Does my hon. Friend agree that this approach from a major donor to the Tory party seems to provide the only basis for the Government's decision to cancel the loan?

Mr Betts: I have not heard any other reason. I have read out four reasons, all of which have been proved to be inaccurate and untrue. I shall read out some of the letter that Andrew Cook sent. There were lots of letters sent in during the review but I think the Minister will be able to confirm that this was the only one that objected to the loan and said that it should not be granted. It is dated 25 May, and it begins:

"Dear Mark,

I am the largest donor to the Conservative Party in Yorkshire and have been since David Cameron was elected leader. I am delighted you are at last back in power, albeit in coalition."

The letter goes on:

"I have specialist knowledge of the situation which I would like to share with you confidentially. The loan is probably unnecessary and possibly illegal under EU rules. I believe the private sector could provide the required finance without the taxpayer shelling out...It is a typical labour 'sacred cow'. I believe you may be the best person to consider this matter as Vince Cable may find it a difficult nettle to grasp, being as Nick Clegg is a Sheffield MP."

Well, he needn't have worried about that, need he? A second letter from Andrew Cook, dated 9 June, states:

"For the record, I am convinced from my own industrial experience that the necessary finance could be raised from the private sector."

He goes on to cite

"the reluctance of local management to accept outside equity investment."

Where have we heard those comments repeated subsequently?

Did the Minister, or any other Minister or civil servant, reply to this letter? Who knew about the letter? Did the Deputy Prime Minister or the Business Secretary know about it? Did the Chief Secretary to the Treasury know about it? Tonight, Downing street has issued a statement saying, "Not us, guv. It was all down to the Liberal Democrats. It was down to the Business Secretary and the Chief Secretary to the Treasury. They made the decision." It will be interesting to hear people's response in Sheffield to how the Lib Dems have treated them in this regard. When did Ministers know about this letter? Was it taken into account in reaching the decision? It is difficult to believe that it was not, because there was not one other shred of evidence thrown at the review that could have led the Government to change the decision that had been taken previously.

In the end, Sheffield Forgemasters will continue to be a successful company without this loan. Without it, however, the losers will be UK workers, UK industry and the UK economy. In the light of the cloud that these letters have now cast on the real reason for the withdrawal of the loan, and in the absence of any other real reasons being provided, will the Minister now accept that the case for a proper independent review into this whole matter is unanswerable?

10.54 pm

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): I congratulate the hon. Member for Sheffield South East (Mr Betts) on securing this debate. I suspect that he was hoping that it might take place a bit earlier this evening, but it is nevertheless an important debate. It is good to see Members from all parties here, although I suspect that some might not be here entirely in the sole interest of the company.

I should like to set out the current position. Then I will address the individual questions that the hon. Gentleman has quite rightly raised. Sheffield Forgemasters is a good example of a successful British manufacturing company. The Government whole-heartedly support what the company does, and I would like to place on record our recognition of its excellent work.

I am well aware that since 2005, the chief executive, Dr Graham Honeyman, and the current management have, as the hon. Gentleman rightly said, grown the business and made sure that it has developed into a highly skilled manufacturing firm. Remarkably, this was achieved during a recession that has been very difficult for manufacturing, but it has got through that without making any staff redundant. That is a testament to the commitment and dedication of Dr Honeyman and of everyone who works in that business.

So let there be no doubt about this Government's admiration for Forgemasters, and nor should there be any doubt about our broader commitment to British manufacturing. It is precisely because of our desire to see a thriving UK economy and a vibrant manufacturing sector that, yes, we have had to take a number of difficult decisions in recent weeks. The decision not to proceed with the conditional offer of an £80 million loan to Sheffield Forgemasters was not taken lightly, but ultimately, we came to the reluctant decision that the loan was simply unaffordable at this point.

Mr Denis MacShane (Rotherham) (Lab): What comment would the hon. Gentleman make on the allegations by the Deputy Prime Minister that Dr Honeyman was actually involved in looking after his shares, rather than seeking a loan in the private market? He has had to repudiate that in the *Yorkshire Post*, and it has caused enormous distress in Yorkshire that the Deputy Prime Minister of our country can make such outrageous allegations about a decent chief executive.

Mr Prisk: This decision has got nothing to do with dilution of equity, which I shall come to in a moment in detail, if I may. The point we are trying to establish is that there is no question of dilution. The issue for us has always been commercial affordability.

Some people have said that the decision is somehow a reflection on the company, the project, its management or staff; in fact, quite the opposite is true. We fully recognise that the project is commercially worth while, but the key point here is that this Government are serious about addressing the deficit and rebalancing the UK economy so that it can recover and grow once more. We are absolutely determined to ensure that all companies, including manufacturers, can operate in the right long-term business environment, so they can thrive and grow.

As a result, the first priority for this incoming coalition Government has to be to restore confidence in the UK's finances, because confidence is the bedrock of our future economic growth. That means that we have to get to grips with the record budget deficit that we inherited, in order to ensure that this country is once again a good place in which to do business.

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): But if the reasoning is not the letter from Andrew Cook or some other spurious reason

that has already been knocked down by my hon. Friend the Member for Sheffield South East (Mr Betts), and it rests solely on the budget deficit, why was Forgemasters one of only two projects reviewed that were refused by the Government, and 12 projects were not?

Mr Prisk: I am just about to come to that. I believe that the critical issue here is affordability. We have had to deal with very difficult circumstances, not least the fact that on taking office, it became clear that the structural deficit is £12 billion more than we were led to believe by former Labour Ministers. If apologies are due, in my personal opinion they should come from the former Labour Ministers who were in this Chamber and failed to be straight with the British people about the size of the deficit. That is the critical issue.

Of course, the ideal outcome would be for the project to proceed with private sector finance, and I very much hope that in the longer term, that will still happen. However, I must make it clear that, given the scale of the budget deficit that the country faces, we considered the issue from the point of view of unaffordability.

Angela Smith: I respect the way in which the Minister is trying to respond to the debate tonight, but is not the £500,000 that Mr Cook donated to the Conservative party, along with the £54,000-worth of plane flights for the right hon. Member for Witney (Mr Cameron), the real reason for the cancellation?

Mr Prisk: No. Let me make this very clear: in the letter that Mr Cook wrote, he mentioned a number of things. I have the letter with me. *[Interruption.]* I will answer the question fully. As the hon. Member for Sheffield South East correctly says, Mr Cook states, right at the top of the letter, that he is a donor to the Conservative party. He goes on to say that he is a senior industrialist in Sheffield with two casting plants in that city. [Hon. Members: "Oh!"] If the Labour party will listen for a moment, the point about that is that it tells me that we are talking about somebody who has some interest in and knowledge of the industry. He goes on to say that he may consider whether or not there is an issue of legality.

When I receive something of that nature, as a Minister, I do not give a monkey's whether the person is a donor to the Conservative party, the Labour party, or any other party. What I am primarily concerned with is making sure that the matter is dealt with equally. With all representations—whether a person donates to the Labour party through the trade union movement, to the Conservatives, the Liberal Democrats or any other party—my view is that they should go to the officials; they must decide on the issue of legality.

Caroline Flint (Don Valley) (Lab): Will the Minister give way?

Mr Prisk: Just one moment, because I think that the letter to which we are referring is not something that all Members have seen. As the hon. Members for Sheffield South East, and for Penistone and Stocksbridge (Angela Smith), know perfectly well, I made sure that the letter was made available—they nod in assent—so that we could look at it in the debate. If I had something to hide, I would not have done that, and hon. Members have noticed that.

I also say to Opposition Members that it is peculiar logic to suggest that a Conservative party donor is the reason why a Liberal Democrat Cabinet member in the Department for Business, Innovation and Skills, and a Liberal Democrat Chief Secretary, should support the proposal. If the Labour party's argument is that somehow, a Conservative party donor is managing to twist events in the interests of that party, it has made a mistake, and that is the problem.

Paul Blomfield (Sheffield Central) (Lab): Does the Minister therefore concur with the statement from Downing street that the decision was solely the responsibility of Liberal Democrat Ministers?

Mr Prisk: That is not actually what the statement says. The decision was taken by the Government as a whole, and rightly so, but nevertheless, it is one on which the Secretary of State for Business, Innovation and Skills and the Chief Secretary to the Treasury obviously had the lead. As I made perfectly clear, the argument that somehow a Conservative party donor is twisting the arm of the Liberal Democrats does not make any logical sense.

Caroline Flint: We have already heard that Andrew Cook, a Tory donor, has approached and lobbied the Government on the issue. I just wonder to what extent his sister, Angela Knight, a former Tory MP and head of the British Bankers Association, is also part of a cabal that is influencing yes-or-no decisions on major projects that bring jobs to our country.

Mr Prisk: That is complete nonsense from the right hon. Lady. The sad part about this is that while I totally respect the interests of the local Members of Parliament here, who want to see a decision taken, the national Labour party Front Benchers are using the issue as a method of trying to unsettle the coalition Government.

Several hon. Members *rose—*

Mr Prisk: I will move on, because the hon. Member for Sheffield South East, the constituency Member of Parliament, has asked a series of questions, and I want to try to answer them. I appreciate that Members from Wales and elsewhere may wish to intervene, but the matter relates to Sheffield, and I am going to try to deal with it. Let me move on, if I can.

I said that a private sector outcome was an important possibility. Hon. Members alluded to the fact that the company has set out its views in just the past 48 hours. It might help the House if we listened to those views. Dr Honeyman has said, in the past 24 hours:

> "We are still keen to undertake the 15,000 tonne press development but feel that the company's best interests will be served by suspending work on the project for the time being."

[Interruption.] One moment, and I will give the answer that the right hon. Member for Don Valley (Caroline Flint) seeks. The statement continues:

> "The opportunities in global nuclear will continue to grow.
>
> This pause will give the company, which has invested more than two years and significant funds to this project, time to resume a greater focus on growing our business into civil nuclear and other sectors."

[Mr Prisk]

Dr Honeyman concludes—this is very relevant to the issue that Members are concerned about:

"As our thinking develops we will of course take up the Government's offer of further discussions. The company recognises the difficult financial position faced by the country and accepts the loan offer will not be reinstated."

Meg Munn (Sheffield, Heeley) (Lab/Co-op): I am listening to the Minister very carefully and he is making a great deal of the issue of unaffordability, but the Government have continued with projects in relation to Nissan and other industrial projects. Why Sheffield Forgemasters, when clearly the Government are saying to us that they appreciate just what a great company it is?

Mr Prisk: There are difficult decisions in this issue, and we have taken the view that the project is unaffordable. That is the challenge that we have had to deal with.

Mr Liam Byrne (Birmingham, Hodge Hill) (Lab) *rose—*

Mr Prisk: No, I will not give way. The right hon. Gentleman can shout and scream all he wants. I will try to answer the constituency Member's questions.

Having quoted the company chairman, I want to point out the position from the Government's point of view. Yesterday, the Secretary of State, on receiving a note from the company, said:

"I will keep the situation under review and reconvene the meeting of experts with the Sheffield Forgemasters Board when they are ready, to review the investment potential with the company."

On that basis—

Mr Byrne: I appreciate the argument that the Minister is rehearsing this evening. As the Chief Secretary to the Treasury at the time, I was involved in negotiations about this loan. I insisted on certain conditions and certain restructuring, including the issue of equity warrants. Is he aware of advice to me from Her Majesty's Treasury officials that recommended acceptance of the loan on the grounds that it was indeed value for money?

Mr Prisk: When it was the right hon. Gentleman who told us in a letter that there was no money left, it is a little rich to be lectured by him on financial prudence. I am more concerned with making sure that we move on so that this company can do its job and stop the Labour party from playing party politics. It is bad for local jobs and it is bad for the company.

Mr Byrne: I appreciate the partisan point that the Minister is trying to rehearse. My question was much simpler. Was he aware of Her Majesty's Treasury officials' advice to me that this loan should have been accepted and was, in their judgment, value for money? Yes or no?

Mr Prisk: The right hon. Gentleman knows perfectly well that Ministers receive a wide range of different advice. He knows that perfectly well. The issue, as I have said time and time again, is affordability. That is what I am dealing with.

Let me move on from the machinations of the Labour party and deal with the economic issues, which I think are the crucial ones. There has been some good news for Sheffield Forgemasters in the last few days. It has recently signed a £30 million trade agreement to oversee the development of power generation forgings with the Indian state-run power equipment maker, Bharat Heavy Electricals Ltd. It is important here to bear in mind—I know that the local Members will be concerned about this—that the venture will be operated as a technology transfer agreement, and it will see BHEL buy both the technology rights and share Sheffield Forgemasters' specialist engineering knowledge. That is an important issue. It is a 10-year agreement and it will help to strengthen and protect future markets for Sheffield Forgemasters in the Indian subcontinent. Also important is that the agreement will mainly serve India's rapidly growing domestic market for turbine and power generation products, including the nuclear power plants.

Forgemasters specialist forging skills are in demand in markets around the world, and that will continue to be so. It will continue to play a part in the emerging UK nuclear supply chain, not least through the Nuclear Advanced Manufacturing Research Centre, which the Government continue to support.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): On a point of order, Mr. Deputy Speaker. The Minister alleged earlier that there were all sorts of people here who were not from Yorkshire. There are many Yorkshire Members of Parliament, and one on the Government Benches has just been wheedled into the Chamber.

Mr Deputy Speaker: The Minister is responsible for his own speech. A number of questions have been asked, which the Minister has a right to respond to. If the House could be quieter, I would appreciate that.

Albert Owen (Ynys Môn) (Lab): On a point of order, Mr. Deputy Speaker. The Minister said that people from Wales and other parts of the United Kingdom have no interest in this. That simply is not the case. There is a national interest here. Investment from Sheffield Forgemasters will impact on hundreds of millions of pounds of investment in my constituency. This is not just a local issue; this is a national issue, and the Minister should acknowledge that.

Mr Deputy Speaker: That is not a point of order for the Chair, and the Minister is responsible for the interventions that he takes. As I said, a number of questions have been asked by the constituency Member who has called the debate, and he deserves to have his answers.

Mr Prisk: Thank you, Mr Deputy Speaker. I entirely agree with that.

I turn now to some of the other questions that were raised by the hon. Member for Sheffield South East in his opening remarks. First, he questioned the issue of affordability, and other Members have also raised that. One of the key points to bear in mind is that, in the light of the huge deficit that we inherited, this Government had to take the decision on the grounds that this project was not affordable. One of the key changes is that the structural deficit emerged after the election as being £12 billion worse than Ministers announced.

Paul Blomfield: Will the Minister give way?

Mr Prisk: No, because it is important that I try to answer some of the other questions that were raised and I have only five minutes left. The hon. Gentleman asked some eminently sensible questions and I want to try to give him the answers.

Chris Ruane (Vale of Clwyd) (Lab): What about the letter?

Mr Prisk: I will come to the letter in a moment.

The hon. Member for Sheffield South East asked me what affordability actually means. There seems to be some confusion about this on the part of Labour Members. Financing a loan of this nature needed £80 million more debt to be issued. That would have meant £80 million more debt on the Government's books this year. So to claim that somehow this loan would not be as challenging as all that or would not really represent debt on the books of the Government is not correct. The reality is that by taking on that commitment we would have been adding to the enormous debt, regardless of the nature of the assets it financed.

I turn now to the question of the letter and the background to it, which Labour Members appear to be more interested in than the question of the company—*[Interruption.]* I exclude the local Sheffield Members, but their colleagues appear to be more concerned about the party politics. Local Members have made representation to the Department by means of a freedom of information inquiry. They put their letters forward. On seeing those I ensured that their requests were answered, so that they received all the information this evening for this debate. That is an important point, because one of the accusations against us is that somehow we are not being transparent. In making sure that those hon. Members who tabled freedom of information requests received the information for this debate, we are being—let me be crystal clear on this point—absolutely transparent on this matter.

Ian Lucas (Wrexham) (Lab): Will the Minister give way?

Mr Prisk: No, because the hon. Member for Sheffield South East has asked questions that need to be answered—*[Interruption.]* When the hon. Member for Wrexham (Ian Lucas) calms down, I will reply.

The Department received an email from Mr Cook's company. While it was noted, as every representation is noted, it had no bearing on the decision-making process. That is an important point.

Ms Rosie Winterton (Doncaster Central) (Lab): Did you see the letter?

Mr Prisk: Of course I saw the letter, because it was emailed to me. As I have made clear, it was apparent from the letter that this was a business man who had knowledge of Sheffield and the industry and was making various representations. My view was that that should go to the officials. It went to the officials and the answer that came back was "We have noted your letter, Mr Cook." That was it. There has been no further—*[Interruption.]* The reply is included in the replies that I have given to the local Members. It is clear—*[Interruption.]* No, I am sorry, but that is wrong.

The other question that has been raised by several hon. Members is the issue of the dilution of equity. I set out the situation clearly in my remarks earlier. The Government's decision had nothing to do with the shareholder structure. In my view, Dr Honeyman and his team deserve credit for putting this together—

Mr Pat McFadden (Wolverhampton South East) (Lab): If the Minister says tonight that this decision had nothing to do with the directors' shareholdings, why did the Prime Minister and Deputy Prime Minister allege that that was the case as justification for this decision?

Mr Prisk: The right hon. Gentleman usually makes intelligent contributions, but that was just part of the knockabout nonsense—*[Interruption.]* This has always been, as my colleagues and I have made clear, an issue of affordability. That is the crucial point in this debate.

Mr Betts: Will the Minister give way?

Mr Prisk: No. I have 60 seconds left and I want to ensure that I draw my thoughts to a conclusion.

Business in this country cannot prosper while we have a record budget deficit hanging over us. That is the simple fact, but it is one that—sadly—the Front-Bench Members of the Labour party seem unable to grasp. A clear plan to eliminate the structural deficit by the end of this Parliament can leave the markets in no doubt that the Government will live within their means. That is why we have placed fiscal discipline at the top of our programme for governance. Our job in government is to create a stable, long-term framework so that all companies—

11.15 pm

House adjourned without Question put (Standing Order No. 9(7)).

Deferred Division

USE OF THE CHAMBER (UNITED KINGDOM YOUTH PARLIAMENT)

That this House welcomes the work of the United Kingdom Youth Parliament in providing young people with an opportunity to engage with the political process; notes that the House agreed on 16 March 2009 to allow the Youth Parliament to meet once in the Chamber; recalls that this meeting took place on 30 October 2009; and accordingly resolves that the UK Youth Parliament should be allowed to meet once a year in the Chamber of this House for the duration of this Parliament.

The House divided: Ayes 499, Noes 21.

Division No. 35]

AYES

Adams, Nigel
Afriyie, Adam
Ainsworth, rh Mr Bob
Aldous, Peter
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bagshawe, Ms Louise
Bailey, Mr Adrian
Bain, Mr William
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Banks, Gordon
Barclay, Stephen
Barron, rh Mr Kevin
Barwell, Gavin
Bayley, Hugh
Bebb, Guto
Beckett, rh Margaret
Begg, Miss Anne
Beith, rh Sir Alan
Bell, Sir Stuart
Benn, rh Hilary
Benyon, Richard
Beresford, Sir Paul
Berger, Luciana
Berry, Jake
Betts, Mr Clive
Bingham, Andrew
Birtwistle, Gordon
Blackman, Bob
Blackman-Woods, Roberta
Blackwood, Nicola
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Boles, Nick
Bottomley, Peter
Bradley, Karen
Bradshaw, rh Mr Ben
Brake, Tom
Bray, Angie
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bruce, Fiona
Buckland, Mr Robert
Burden, Richard
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, rh Sir Menzies
Campbell, Mr Ronnie
Carmichael, Mr Alistair
Carmichael, Neil
Caton, Martin
Chapman, Mrs Jenny
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clark, Katy
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Cox, Mr Geoffrey
Crabb, Stephen
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Crockart, Mike
Crouch, Tracey
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
Davey, Mr Edward
David, Mr Wayne
Davidson, Mr Ian
Davies, David T. C. (Monmouth)
Davies, Geraint
Davies, Glyn
de Bois, Nick
De Piero, Gloria
Denham, rh Mr John
Dinenage, Caroline
Djanogly, Mr Jonathan
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donohoe, Mr Brian H.
Doran, Mr Frank
Dorries, Nadine
Doyle, Gemma
Doyle-Price, Jackie
Duddridge, James
Dugher, Michael
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellis, Michael
Ellison, Jane
Elman, Mrs Louise
Ellwood, Mr Tobias
Elphicke, Charlie
Engel, Natascha
Esterson, Bill
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Fitzpatrick, Jim
Fiello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Fox, rh Dr Liam
Francis, Dr Hywel
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gapes, Mike
Gardiner, Barry
Garnier, Mr Edward
Garnier, Mark
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goldsmith, Zac
Goodman, Helen
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Greatrex, Tom
Green, Damian
Green, Kate
Greening, Justine
Greenwood, Lilian
Grieve, rh Mr Dominic
Griffith, Nia
Griffiths, Andrew
Gyimah, Mr Sam
Hague, rh Mr William
Hain, rh Mr Peter
Hallon, Robert
Hames, Duncan
Hamilton, Mr Fabian
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Hanson, rh Mr David
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Harris, Mr Tom
Harvey, Nick
Haselhurst, rh Sir Alan
Havard, Mr Dai
Hayes, Mr John
Heald, Mr Oliver
Healey, rh John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Hepburn, Mr Stephen
Herbert, rh Nick
Heyes, David
Hillier, Meg
Hilling, Julie
Hinds, Damian
Hoban, Mr Mark
Hodgson, Mrs Sharon
Hollingbery, George
Hopkins, Kelvin
Hopkins, Kris
Horwood, Martin
Hosie, Stewart
Howarth, rh Mr George
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunt, Tristram
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Ilsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Margot
Jamieson, Cathy
Jenkin, Mr Bernard
Johnson, rh Alan
Johnson, Diana R.
Johnson, Gareth
Jones, Andrew
Jones, Mr David
Jones, Graham

Jones, Helen
Jones, Mr Kevan
Jones, Mr Marcus
Jones, Susan Elan
Kawczynski, Daniel
Keeley, Barbara
Kelly, Chris
Kendall, Liz
Khan, rh Sadiq
Kirby, Simon
Lammy, rh Mr David
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Lavery, Ian
Lazarowicz, Mark
Leadsom, Andrea
Lee, Jessica
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Leslie, Chris
Lewin, rh Mr Oliver
Lewis, Brandon
Lewis, Mr Ivan
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Llwyd, Mr Elfyn
Long, Naomi
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Love, Mr Andrew
Lucas, Caroline
Luff, Peter
Macleod, Mary
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
May, rh Mrs Theresa
Maynard, Paul
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McCartney, Jason
McClymont, Gregg
McDonnell, Dr Alasdair
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Meale, Mr Alan
Mearns, Ian
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Morden, Jessica
Morgan, Nicky
Morrice, Graeme
Morris, Anne Marie
Morris, David
Morris, Grahame M.
Morris, James
Mosley, Stephen
Mudie, Mr George
Mundell, rh David
Munn, Meg
Munt, Tessa
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Murray, Sheryll
Murrison, Dr Andrew
Nandy, Lisa
Nash, Pamela
Neill, Robert
Newmark, Mr Brooks
Nokes, Caroline
Norman, Jesse
O'Donnell, Fiona
Ollerenshaw, Eric
Onwurah, Chi
Opperman, Guy
Osborne, rh Mr George
Osborne, Sandra
Ottaway, Richard
Owen, Albert
Pace, Mr James
Paisley, Ian
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Pearce, Teresa
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Phillipson, Bridget
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pound, Stephen
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John
Qureshi, Yasmin
Raab, Mr Dominic
Randall, rh Mr John
Raynsford, rh Mr Nick
Rees-Mogg, Jacob
Reevell, Simon
Reeves, Rachel
Reid, Mr Alan
Reynolds, Emma
Reynolds, Jonathan
Rifkind, rh Sir Malcolm
Riordan, Mrs Linda
Robathan, Mr Andrew
Robertson, Angus
Robertson, Hugh
Robertson, John
Robertson, Mr Laurence
Robinson, Mr Geoffrey
Rogerson, Dan
Rosindell, Andrew
Rotheram, Steve
Roy, Mr Frank
Rudd, Amber
Ruddock, rh Joan
Russell, Bob
Rutley, David
Sandys, Laura
Sarwar, Anas
Scott, Mr Lee
Seabeck, Alison
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Sharma, Mr Virendra
Sheerman, Mr Barry
Shelbrooke, Alec
Sheridan, Jim
Shuker, Gavin
Simmonds, Mark
Simpson, David
Simpson, Mr Keith
Singh, Mr Marsha
Skidmore, Chris
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Nick
Smith, Owen
Smith, Sir Robert
Spellar, rh Mr John
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Straw, rh Mr Jack
Streeter, Mr Gary
Stride, Mel
Stuart, Ms Gisela
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Tami, Mark
Tapsell, Sir Peter
Teather, Sarah
Thomas, Mr Gareth
Thurso, John
Timms, rh Stephen
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Twigg, Stephen
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vaz, rh Keith
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Walley, Joan
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Weir, Mr Mike
Wharton, James
Wheeler, Heather
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Whittaker, Craig
Wicks, rh Malcolm
Wiggin, Bill
Willetts, rh Mr David
Williams, Hywel
Williams, Mr Mark
Williams, Stephen
Williamson, Chris
Williamson, Gavin
Wilson, Phil
Wilson, Mr Rob
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Wollaston, Dr Sarah
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

NOES

Amess, Mr David
Binley, Mr Brian
Bone, Mr Peter
Brady, Mr Graham
Chope, Mr Christopher
Davies, Philip
Davis, rh Mr David
Field, Mr Mark
Hollobone, Mr Philip
Jackson, Mr Stewart
Leigh, Mr Edward
Lucas, Ian
Main, Mrs Anne
McCartney, Karl
Nuttall, Mr David
Ruane, Chris
Soubry, Anna
Syms, Mr Robert
Trickett, Jon
Watts, Mr Dave
Wilson, Sammy

Question accordingly agreed to.

House of Commons

Thursday 22 July 2010

The House met at half-past Ten o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

CONTINGENCIES FUND 2009-10

Resolved,

That there be laid before this House Accounts of the Contingencies Fund, 2009-10,

showing–

(1) a balance sheet;

(2) a cashflow statement; and

(3) notes to the account; together with the Report of the Comptroller and Auditor General thereon.—*(Mr Vara.)*

Oral Answers to Questions

TRANSPORT

The Secretary of State was asked—

Rail Network

2. **Chris Skidmore** (Kingswood) (Con): What steps he is taking to make Britain's railway system more financially viable. [10275]

The Secretary of State for Transport (Mr Philip Hammond): Sir Roy McNulty's review of value for money on the railway has produced a scoping study that identifies that the UK's railway is, prima facie, up to 40% more expensive than railways elsewhere in Europe. We must adjust to a world in which our aspirations for a successful railway have to be met from within a much tighter public spending envelope. I have therefore asked Sir Roy to accelerate his work looking at the drivers of cost across the industry, and to produce recommendations for creating a sustainable railway with growing passenger usage and declining subsidy.

Chris Skidmore: According to the parliamentary report "Transport in the South West", the south-west has been hit with an increase in the price of unregulated fares. The report states that some rail fares between Swindon and London—a distance of only 77 miles—are the highest for a comparable distance anywhere in Europe. Will my right hon. Friend consider the impact of unregulated fares, especially in Bristol and my constituency of Kingswood, in future rail policy decisions?

Mr Hammond: I am grateful to my hon. Friend for that question. About 60% of rail journeys are undertaken using regulated fares, which are governed by the formula imposed by the Department for Transport, but my right hon. Friend the Minister of State has today initiated a consultation on future franchising strategy, and we can certainly take my hon. Friend's representation as a response to that consultation.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): The inefficiencies identified by Sir Roy McNulty must be addressed as a matter of urgency, but does the Secretary of State agree that passengers, and indeed freight, must not be priced off the railway, and that essential investment, such as electrification, must go ahead?

Mr Hammond: I am grateful for the hon. Lady's support for the review and the work that Sir Roy McNulty is doing, and I am glad that she recognises the urgency of ensuring that our railway is affordable and sustainable, so that it can attract the investment that it needs. I agree with her that we need a sustainable railway with growing passenger numbers and growing freight usage.

Mr David Evennett (Bexleyheath and Crayford) (Con): Would my right hon. Friend agree that we want a sector that not only is financially sound, but delivers a better quality of service for passengers?

Mr Hammond: My hon. Friend is, once again, absolutely right. The objective must be to have a railway that is responsive to the needs of its customers, generating viability by responding to those needs—in fact, a railway that does what businesses throughout the economy do if they are to be successful and sustainable.

Mr William Bain (Glasgow North East) (Lab): I agree with the Secretary of State that a central issue for the financial viability of the railways is the Government's future policy on fare increases. The coalition agreement commits the Government to fair increases in rail ticket costs. Will the Secretary of State confirm recent reports that he has proposed to the Treasury changing the formula on capped fares and season tickets for next year from the retail prices index plus 1% to as much as RPI plus 5%? Does he not understand how unfair and unreasonable a fares hike of up to 10% will be to millions of hard-pressed commuters across the country if he cannot give an assurance to the House that every penny in increased fare revenues will be reinvested in the new rolling stock and capital projects that our railway system so badly needs?

Mr Hammond: The hon. Gentleman got to the nub of the issue in his last sentence. The coalition agreement commits us to a policy of fair fares, and we are committed to ensuring that fares are fair for rail users. No decisions have been made as yet about future fare increases, but he correctly identifies that, as a result of the spending review precipitated by the fiscal crisis that we have inherited, there may have to be a trade-off between fares and continuing vital investment in our railway. I have said that it would be wrong to rule out, ahead of the spending review, any change to the fare policy.

Rail Franchising

3. **Nick de Bois** (Enfield North) (Con): What progress has been made on his Department's review of rail franchising; and if he will make a statement. [10276]

9. **Iain Stewart** (Milton Keynes South) (Con): What progress has been made on the Government's review of rail franchising; and if he will make a statement. [10283]

10. **Brandon Lewis** (Great Yarmouth) (Con): What progress has been made on the Government's review of rail franchising; and if he will make a statement. [10284]

The Minister of State, Department for Transport (Mrs Theresa Villiers): The Government today launched their consultation on the future of rail franchising policy. Our proposed reforms will lead to longer, more flexible franchises to incentivise private sector investment in the railways, which will benefit passengers and improve value for money.

Nick de Bois: Given the current poor standard of commuter service that my constituents in Enfield North receive from National Express, as evidenced by the lowest average customer satisfaction rates across the south-east, how will our franchising proposals improve the experience for passengers in my constituency and elsewhere?

Mrs Villiers: We will ensure that the new rail franchising system imposes on train operators demanding performance requirements, based on passenger outcomes and passenger satisfaction. Operators that do not meet those demanding requirements will face serious sanctions that will include, in the most serious cases, termination of the franchise. We believe that longer franchises will lead to more private sector investment and the improvements to stations and railways that passengers want, to improve their journeys. Longer franchises will also enable train operators to build longer-term working relationships with Network Rail, which are so vital to ensure that our railways are run efficiently and deliver value for money.

Iain Stewart: Many of my constituents in Milton Keynes are angry that despite paying about £5,000 for annual season tickets and having undergone years of misery as the west coast main line was upgraded, they are still denied access to Virgin trains at peak hours; the trains either do not stop at all or—perversely—they do stop, but only to let people off, not on. The long-term solution is the extra capacity that High Speed 2 will deliver, but will my right hon. Friend give an undertaking that when the west coast main line franchise comes up for renewal in 2012, she will ensure that my constituents have fair access to high-speed services?

Mrs Villiers: All representations from the affected communities will be taken on board as the decisions are made. We hope that what will result from the rail franchising reforms on which we are consulting at the moment is a better and more intelligent and flexible approach to timetabling. That will enable the demands of passengers to be more readily met than they are by the current inflexible system. My hon. Friend is right that the long-term solution has to be a new high-speed rail line. There will come a time in the not-too-distant future when the west coast main line will be simply full to bursting and we will need to provide extra capacity. That will release more space for commuting and stopping services on the west coast main line.

Brandon Lewis: The tourist industry in Great Yarmouth is worth almost £500 million, yet the train station is not exactly a welcoming gateway to our town. Residents would like a better station. Will the Minister give some assurance to the residents of Great Yarmouth that under the new franchise agreement we will be able to put some onus on the franchisee and Network Rail, to make sure that they can invest in things such as the stations themselves, so that we can get a better train station for Great Yarmouth?

Mrs Villiers: I recall the discussions that we had on this issue when I visited my hon. Friend's constituency. I believe that the issue is a prime example of how the reforms that we are proposing could yield significant benefits for passengers. They will give the opportunity for private sector investment in stations such as Great Yarmouth's. At the moment the franchise is of about seven years, and that simply does not give the certainty needed for private sector investment to pay for itself during the franchise. With longer franchises, we can expect more station improvements of the sort that my hon. Friend wants.

Mr Jim Cunningham (Coventry South) (Lab): Will the Minister agree to meet a small delegation led by me and my hon. Friend the Member for Coventry North West (Mr Robinson) to discuss the Nuckle project in Coventry? The situation has been going on for a number of years and it needs resolving one way or another.

Mrs Villiers: Yes, I shall be happy to meet that delegation.

Kelvin Hopkins (Luton North) (Lab): Given that franchises have failed already, many more franchises are going to fail under what is likely to be a much harsher financial regime. Is it not time to bring things in-house and begin to recreate the state railway systems that operate so well and so much more cheaply on the continent of Europe?

Mrs Villiers: The hon. Gentleman's views on the railways are well known, although I am afraid that I do not share them. It would have been impossible for there to have been the significant growth in passenger numbers that we have seen since privatisation without the benefits that private sector innovation and enterprise have brought. Reversing things and renationalising the railways would be a retrograde step.

Sadiq Khan (Tooting) (Lab): I note from the Order Paper that there are five identical questions on rail franchises from new MPs no doubt keen to impress their Whips. Half an hour before oral questions we had a press release from the Department for Transport announcing a consultation on the new rail franchises. Will the Minister confirm that in the new consultation that she has announced this morning, there will not be any barriers to stop new models, such as mutuals and co-operatives, from taking over franchises?

Mrs Villiers: There would be no barriers to mutuals and co-operatives bidding for franchises if they fulfilled the criteria. All franchise bids will be judged objectively on the quality of the services they will provide for passengers and value for the taxpayer.

Port of Dover

4. **Charlie Elphicke** (Dover) (Con): What plans he has for the future of the port of Dover; and if he will make a statement. [10277]

The Parliamentary Under-Secretary of State for Transport (Mike Penning): Dover harbour board has submitted a transfer scheme to my right hon. Friend the Secretary of State. If—I reiterate if—that is approved, that will allow the board to privatise the port of Dover.

Charlie Elphicke: I thank the Minister for conducting this review. Will it consider the community's bid to buy the port of Dover and turn it into Dover's people's port? It is important that people know that the big society is not just about cycle paths, canal-side tow tracks and things like that—the big society is, well, big. It should include the port of Dover, and deprived communities should benefit as much as well-off communities.

Mike Penning: I congratulate my hon. Friend on his stalwart and continuing hard work on behalf of his constituents and his continued view on where Dover port should go. The consultation that I announced yesterday is part of the manifesto commitment to allow local people, businesses and the port to ensure that there is as much information as possible in the public domain, including the proposals on the people's port.

Derek Twigg (Halton) (Lab): The future of the important port of Dover will be very much influenced and helped by improving transport links and access to it, particularly from the north-west. Does the Minister think it important, therefore, that the proposed Mersey Gateway is given the go-ahead to improve that access?

Mike Penning: I congratulate the hon. Gentleman on his ingenuity, but the key to this question is Dover. He is asking a separate question, and if he wants to write to me, I will be more than happy to answer it.

Environmental Groups

5. **Karen Bradley** (Staffordshire Moorlands) (Con): What discussions he has had with representatives of environmental groups on transport issues since his appointment. [10278]

The Parliamentary Under-Secretary of State for Transport (Norman Baker): Since May, my right hon. Friend the Secretary of State and other members of the Department's ministerial team have had a number of meetings with environmental groups at which a wide range of transport issues have been discussed.

Karen Bradley: I thank the Minister for his response. Many people living in rural areas such as Staffordshire Moorlands have no alternative but to use the private car. Will the Minister provide more details about his discussions with the environmental groups that he has been meeting regarding how to promote alternative transport in rural areas to encourage carbon reduction and promote economic growth?

Norman Baker: I am grateful to my hon. Friend for her question. She is right that in rural areas it is difficult to find alternatives to the private car, but there are examples across the country, not least in my constituency, where voluntary organisations have come together to form effectively operating bus routes, and there is a good community transport network, with dial-a-ride and other such services. We are also investigating in the Department alternatives to travel, including the roll-out of broadband and home working to enable those in rural areas to benefit from society as a whole. Ultimately, of course, local authorities are best placed to decide on local transport polices, and the Government's policy of removing ring-fencing will enable them to respond more sensitively to issues such as that which my hon. Friend raises.

Chris Leslie (Nottingham East) (Lab/Co-op): Environmental groups and, earlier this year, the Transport Committee have highlighted the fact that electrification of the midland mainline would bring great benefits in terms of changing rolling stock and improving the service, as well as the environmental impact. When will the Government prioritise the necessary "stitch in time" investment in the electrification of the midland mainline?

Norman Baker: The Government are committed to electrification of the railways and believe that that is sensible in order to remove carbon emissions from the transport sector, in so far as possible, and to improve the conditions and experience for passengers. Obviously, any decisions on that and other matters are subject to the spending review, but that is the direction of travel that we wish to follow.

Martin Horwood (Cheltenham) (LD): One voluntary sector organisation that Ministers will want to meet is the Campaign for Better Transport, whose new report, "Smarter Cuts", shows a rather better understanding of the state of public finances than that of some people in this House. It emphasises the need for cuts that are consistent with our need to meet carbon emission reduction targets and deliver long-term value locally as well as nationally. Will Ministers actively consider this important and useful report?

Norman Baker: We are very happy to consider that report. I have already met representatives of the Campaign for Better Transport in the course of my ministerial duties. My hon. Friend is right. In this difficult spending review and the process afterwards, we must ensure that we prioritise job creation that is green, and ensure simultaneously that we cut carbon. In addition, the Government's localism agenda, which devolves power to local authorities, will enable us to respond more actively to the points that my hon. Friend correctly makes.

Kerry McCarthy (Bristol East) (Lab): Many environmental groups were quite concerned when the Secretary of State, on first taking office, declared that he was going to end the war on motorists. That perhaps

did not show quite the right set of priorities in putting environmental issues at the top of the agenda. May I urge the Minister to work with groups such as Sustrans on alternatives to motoring and on ensuring that there are green alternatives where motoring is the only option?

Norman Baker: The Secretary of State was concerned about issues such as private sector wheel clamping, which had led to unfair treatment of motorists. That view is shared across the coalition. He is also concerned to ensure that we decarbonise road transport and achieve carbon gains from the roll-out of electric vehicles, for example. There is no difference at all between our positions on that. We have a coherent transport policy that will deliver jobs and carbon reduction.

Intercity Express Programme

6. **Mike Crockart** (Edinburgh West) (LD): What assessment he has made of the implications for his Department's policy of Sir Andrew Foster's report on the intercity express programme. [10279]

The Secretary of State for Transport (Mr Philip Hammond): My statement to the House of 6 July announced that a decision on the future of the intercity express programme would be made as part of the spending review announcement in October, and that the Government would use the intervening time to pause for reflection and a fresh, detailed analysis, including a review of the alternatives in line with Sir Andrew's recommendations.

Mike Crockart: I thank my right hon. Friend for his response, but given that the country and indeed his Department continue to suffer from significant budgetary pressures, would it not be better to cancel the IEP programme and extend the life of our InterCity 125 trains, which have performed very well over the years, so that we can continue to invest in matters such as upgrading track infrastructure and high-speed rail, which would deliver significant economic benefits?

Mr Hammond: The previous Government commissioned a report from Sir Andrew Foster, which has now been delivered. It was a detailed piece of work containing a lot of recommendations, and one of Sir Andrew's suggestions was that we should review the possibility of an upgrade and life extension of the existing 125 fleet. That is one option that we will consider during the pause that I mentioned.

Phil Wilson (Sedgefield) (Lab): If the intercity express programme survives the comprehensive spending review, Hitachi intends to build the trains in Newton Aycliffe in my constituency, creating hundreds of jobs there and thousands in the manufacturing supply chain. It would be one of the biggest investments in the north-east since Nissan. Would the Minister be prepared to meet me and a delegation of north-east businessmen and trade unionists so that we can get the point across about how important the scheme is to the north-east of England?

Mr Hammond: I am always happy to meet Members, and I would be very happy to meet the hon. Gentleman, but I can tell him that I met the president of Hitachi recently on his visit from Tokyo, and that I have met the Japanese ambassador, and they forcefully made the same points as him. We will of course take them into account.

I should perhaps say that Hitachi is also interested in other rail projects in the UK, and we have heard very encouraging signs that the company intends to establish a serious presence in the UK as part of our future rail infrastructure development.

Sadiq Khan (Tooting) (Lab): The Secretary of State will be aware that as a direct result of our investment, more people are using our railways than at any time since the 1940s. That is good for the environment and for tackling congestion and all its consequences. Continuing with our programme of additional rolling stock will not only lead to more jobs but be good for British manufacturing and growth. It is also a good way to continue to encourage more people to leave their cars and use our rail network. Will he aggressively lobby the Treasury for more investment in rolling stock, rather than listen to some of his hon. Friends who want cuts in additional rolling stock?

Mr Hammond: I am not sure whether the hon. Gentleman is conflating the debate on the high-level output specification rolling stock programme with that on the intercity express programme, but once again he shows a failure to recognise the reality of the situation that we have inherited from the previous Government. We have to deal with the fiscal crisis facing this country and prioritise investment in matters that will support economic growth and the decarbonisation of the economy. We will do that job effectively, and he will hear the result once the spending review is announced in October.

A64

7. **Miss Anne McIntosh** (Thirsk and Malton) (Con): What representations he has received on upgrading the A64 between York and Scarborough; and if he will make a statement. [10280]

The Parliamentary Under-Secretary of State for Transport (Mike Penning): As well as verbal representations from my hon. Friend and from my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill), I have received two letters that the former has forwarded to me and two from the latter.

Miss McIntosh: Having newly been elected to Rillington and Filey, I am very aware of their concerns, particularly about road safety in Rillington. Will the Under-Secretary look favourably on reviewing any potential upgrade in the long term, but take measures in the short term that will save lives at Rillington, and use the opportunity to green the economy and improve the quality of life for people all along the route?

Mike Penning: I congratulate my hon. Friend and my hon. Friend the Member for Scarborough and Whitby on bringing the matter to my attention. The upgrade would cost £500 million, but the local authority has made no representations for regional funding allocations since 2006. I will look at measures as they are presented. However, while the spending review is still going on, no commitments can be made.

Flight Cancellations

8. **John Robertson** (Glasgow North West) (Lab): What estimate he has made of the number of passenger flights cancelled as a result of travel agents going into administration in the latest period for which figures are available. [10281]

The Minister of State, Department for Transport (Mrs Theresa Villiers): In the year to 31 March 2010, 29 companies licensed by the air travel organiser's licence scheme failed. Under the ATOL scheme, managed by the Civil Aviation Authority, 2,445 passengers were able to complete their holiday and return home without charge. A further 45,114 were entitled to full refunds.

John Robertson: The Minister will know that 180 passengers were stranded at Glasgow airport on Friday, thanks to the collapse of Goldtrail. There were also 16,000 people stranded abroad. How does she propose to try to help those people get compensation? In some cases, they have been told that they will have to wait for at least two years before they get their money back. How can she stop those companies causing such disruption and ensure that people get home as quickly as possible?

Mrs Villiers: The CAA is working hard to repatriate the people affected by the Goldtrail failure, which has caused significant anxiety and disruption to people's holiday plans. Our officials are working hard with the CAA to ensure that that repatriation effort goes well. We are also urging the CAA to ensure that lessons are learned from XL and the long time it took to process claims. The CAA urges all those who are ATOL protected to submit the relevant documentation so that refunds can be processed as quickly as possible. In the longer term, we need a bigger reform of the way in which the system works.

Jane Ellison (Battersea) (Con): To refer my right hon. Friend to earlier answers on rail franchising—

Mr Speaker: Order. We cannot go into that. We are dealing with a specific question about cancellation of passenger flights, on which I thought the hon. Lady wanted to contribute. Never mind—we will move on.

East Coast Main Line

12. **Hugh Bayley** (York Central) (Lab): What plans he has for the future of the franchise for the east coast main line rail service. [10286]

The Secretary of State for Transport (Mr Philip Hammond): The Government intend to let a new franchise to return the operation of east coast main line rail services to the private sector. My right hon. Friend the Minister of State launched a franchising review this morning, seeking views on the most appropriate options to secure longer-term investment. In the meantime, services will continue to be provided by the East Coast Main Line Company Ltd, which the Department owns in its entirety.

Hugh Bayley: The headquarters of the east coast rail service has been based in York since the 19th century because logistically it is the right place to be. Will the Secretary of State examine the case for reducing uncertainty for the key business partners of the east coast train operating company by confirming that the new franchisee, when appointed, will be required to keep the headquarters of the business in York?

Mr Hammond: I appreciate the hon. Gentleman's intervention on behalf of his constituents and I understand the concerns that the uncertainty will cause. However, it would be wrong, in view of the franchising consultation that my right hon. Friend the Minister has announced today, for me to start making prescriptive statements about what a future franchisee under an as yet undetermined franchising regime will be required to do.

Rail Franchising

13. **Peter Aldous** (Waveney) (Con): What progress has been made on the Government's review of rail franchising; and if he will make a statement. [10287]

The Minister of State, Department for Transport (Mrs Theresa Villiers): I refer my hon. Friend to the answer that I gave earlier.

Peter Aldous: Will the Minister confirm that the review of the Greater Anglia franchise will recognise the vital importance of the east Suffolk line from Ipswich to Lowestoft, and the need for both an hourly service along the whole line and the reintroduction of through trains to London, which are being withdrawn in December?

Mrs Villiers: My hon. Friend will appreciate that it would not be wise for me to start making timetabling decisions at the Dispatch Box. However, we are determined that the franchising reform, on which we will consult in the next few weeks, will deliver improvements for passengers, improve train operators' ability to respond flexibly to increases in passenger demand on particular routes and help deliver the private sector investment to provide vital enhancements to our railways.

Emma Reynolds (Wolverhampton North East) (Lab): Given that current legislation prevents organisations and companies that do not yet run rail franchises from bidding for them, will the Government consider changing it in their review to allow mutuals and co-operatives to bid for future franchises?

Mrs Villiers: I think that that question has been dealt with already. If mutuals and co-operatives can satisfy the requirements of the franchising process, they will be permitted to bid.

Jane Ellison (Battersea) (Con): I think this is the appropriate moment to ask my question, Mr Speaker. In her discussions with rail franchises and franchisees, will my right hon. Friend ask them whether they will consider bringing longer trains through stations whose platforms have not been lengthened when they have available rolling stock? That is common on the continent, but we do not do it here, and it would greatly help at overcrowded stations such as Wandsworth Town station in my constituency.

Mrs Villiers: I am well aware of my hon. Friend's strong campaigns for rail services in her constituency, and our visit to Clapham Junction railway station was

particularly informative. She makes a good point about the more flexible use of capacity, and the train operators and Network Rail would certainly do well to take it on board. I suggest she raises it further with them.

Cycle Helmets

14. **Annette Brooke** (Mid Dorset and North Poole) (LD): What recent representations he has received on a compulsory requirement on cyclists under 16 years old to wear cycle helmets. [10288]

The Parliamentary Under-Secretary of State for Transport (Mike Penning): I recently met representatives of the Bicycle Helmet Initiative Trust and my hon. Friend the Member for Wellingborough (Mr Bone), who told me in no uncertain terms that they would like wearing cycle helmets to be compulsory for children under 16.

Annette Brooke: I am sure the Minister shares my concern at the last set of figures for 2009, which show that for under-16s, serious injuries are up to 489 and that there were 16 deaths. Will the Minister give the House some information on the review of cycle helmet effectiveness that was planned for later this year? How will he make progress on striking the balance between encouraging cycling but, more importantly, encouraging child safety?

Mike Penning: I thank my hon. Friend for bringing this subject up. It is ever so important that we encourage more people to take up cycling, particularly young people, but at the same time, we must not scare them off by trying to force them to wear helmets, recognising the peer pressure on them. The Department ensured straight away that all its videos, DVDs and anything it broadcasts on the internet do not feature children under 16 without a helmet. That is the sort of message we need to send. Compulsion would be almost impossible to enforce, but we need to work to educate more young people to wear helmets.

Jim Fitzpatrick (Poplar and Limehouse) (Lab): On enforcement and the increase in cycling in recent years, which is set to continue because of the previous Government's investment, is the Minister holding discussions with his colleagues at the Department for Communities and Local Government and the Home Office on policing cyclists? I am referring particularly to the minority of dangerous cyclists who get the rest of us a bad name by cycling on pavements and breaking the basic rules of the road. How will we enforce safe cycling?

Mike Penning: Any cyclist who breaks the law and gives the former Minister a bad name needs to be brought before the courts. We see such behaviour on a regular basis, particular in urban areas and at lights, where people ignore the Road Traffic Acts. The police should enforce the rules on cyclists the same as they would on any other road user. The law needs to be used.

Airport Security

15. **Gareth Johnson** (Dartford) (Con): What guidance his Department provides on the searching of religious headwear at airports. [10289]

The Secretary of State for Transport (Mr Philip Hammond): There is a large and well-integrated Sikh community in the UK. Special arrangements to take account of their headwear have existed at least since the introduction of compulsory motorcycle helmets. On 29 April, the European Union altered the rules on the searching of religious headwear at airports, and this has provoked a furious reaction from members of the Sikh community. On 25 June, I instructed UK airports that they should temporarily revert to the previous arrangements, despite the EU rules. The Sikh community has recognised this positive step and we are now working with them and with the EU to identify a suitable way forward.

Gareth Johnson: I am pleased that my right hon. Friend is aware of the EU's initiative that means that turbans can be searched and, indeed, unravelled by airport security officers. Does he agree that we need an approach that protects the security of travellers, but that also fully recognises the importance of turbans to the followers of the Sikh religion?

Mr Hammond: I do indeed agree with my hon. Friend. The ultimate solution probably lies in the introduction of scanners as a primary means of security screening at our airports. At the moment, that cannot be done under EU rules. Part of my discussion with the EU is seeking to persuade it that we can resolve the particular problems of religious headwear by addressing the wider issue of adopting scanners as a primary screening method.

A14

16. **Mr Philip Hollobone** (Kettering) (Con): When he expects to announce his Department's decision on the planned widening by the Highways Agency of the A14 around Kettering. [10290]

The Parliamentary Under-Secretary of State for Transport (Mike Penning): All expenditure on the strategic road network is being considered under the spending review. When the outcome is known in the autumn, I hope to provide my hon. Friend with greater clarity on the future of this scheme.

Mr Hollobone: This project is very important to my constituents in Kettering, so may I draw to the Minister's attention as he makes up his mind the fact that the road is already at capacity, with 70,000 vehicles a day going round the town? That section of road is actually three roads in one—the A6, the A43 and the A14.

Mike Penning: Not only are there 70,000 vehicles a day, but 20% are HGVs, which is 10% higher than the average in the UK. The project will cost between £86 million and £142 million. When the spending review is over, we will assess the problems that Kettering is having because of that huge amount of traffic.

Topical Questions

T1. [10294] **Dr Daniel Poulter** (Central Suffolk and North Ipswich) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Transport (Mr Philip Hammond): Since I last answered departmental questions, we have announced a new framework for the economic regulation of airports; our south-east airports taskforce has commenced work; we have announced the sale of High Speed 1; and we have launched a £15 million fund to incentivise the purchase of low-carbon buses. I have also prepared and submitted a spending review bid to the Treasury.

Dr Poulter: I thank the Minister of State for her earlier answer in reply to my hon. Friend the Member for Waveney (Peter Aldous) in respect of recognising the importance of the East Suffolk line to the future prosperity of central and eastern Suffolk. Part of improving the infrastructure is a vital stretch of track called the Beccles loop, which would enable a future franchisee to run a full London to Lowestoft service. May we count on the Secretary of State's support in pursuing the funding for that vital stretch of track?

Mr Hammond: Any future proposals for rail enhancements will be considered in the usual way in setting the output requirements for control period 5, which will define Network Rail's investment programme from 2014 onwards.

Sadiq Khan (Tooting) (Lab): More than 1 million Londoners are entitled to Labour's freedom pass and more than 11 million older and disabled people in England are entitled to Labour's concessionary bus pass. Pass holders have been made anxious by reports in the media of the submission made to the Treasury by the Secretary of State in relation to the comprehensive spending review. The CSR is three months away, so can he reassure those anxious older and disabled citizens that he has not submitted, in his job application/CSR bid, any change in the eligibility requirements for those who receive the bus pass?

Mr Hammond: The hon. Gentleman refers to two separate things. The arrangements in London are of course the responsibility of the Conservative Mayor of London, and I cannot answer for the decisions that he will make on the operation of the scheme in London. With regard to the national scheme, the Prime Minister and the Deputy Prime Minister have both made clear their commitment to the scheme in its current form. It is enshrined in primary legislation and we have no plans to change it.

T2. [10295] **Andrew George** (St Ives) (LD): The Chancellor promised that the vulnerable would be protected from budget cuts, but I know that Ministers will be well aware that there has been much speculation about the future viability of the bus service operators grant, which is clearly essential to many marginal rural services, the sustainability of which would be called into question if that were to be in any way cut. What reassurance can Ministers give me and my constituents that those rural services, which are essential—

Mr Speaker: I am sure that the hon. Gentleman has reached a question mark.

The Parliamentary Under-Secretary of State for Transport (Norman Baker): I recognise the importance that many attach to the bus service operators grant. The Government intend to try to increase the number of people using the bus. However, we also want to get a fair deal for the taxpayer and the passenger, and that is the direction of travel that we wish to pursue. Ensuring that people can travel by bus in my hon. Friend's constituency and elsewhere in rural areas is important to that objective.

T7. [10300] **Mr David Hanson** (Delyn) (Lab): Has the ministerial team seen the comments by the hon. Member for South Suffolk (Mr Yeo) in which he called for the privatisation of motorways and a widespread increase in road tolling? Will Ministers rule out such proposals for the duration of this Parliament?

Mr Philip Hammond: The coalition Government have indeed ruled out the tolling of the existing road network for the duration of this Parliament.

T3. [10296] **Tony Baldry** (Banbury) (Con): What are the Government going to do to make it safer for motorcyclists by improving the tests for motorcyclists? In particular, the last Government so reduced the number of test sites that we had the slightly ludicrous situation of motorcyclists who had not passed the test having to travel considerable distances on their motorbikes to take the test. So can we see some improvement in the test regime for motorcyclists?

The Parliamentary Under-Secretary of State for Transport (Mike Penning): I thank my hon. Friend for that question. We have announced a review into both parts of the motorcycle test, not only because of the concerns he raises, but because of some of the accidents that have taken place on tests, especially on part 1, which is off-road. We have a ludicrous situation in which some people have to travel two and a half miles with their L plates on to take the test, go off-road, fail it and then have to ride all the way back. That situation is being reviewed, and we hope to have answers in the autumn.

Graham Jones (Hyndburn) (Lab): Will the Minister let my constituents, and those of the hon. Member for Burnley (Gordon Birtwistle), know what progress he has made on the Todmorden Curve rail project?

The Minister of State, Department for Transport (Mrs Theresa Villiers): I know that the local authorities are working hard on this project and have engaged Network Rail to do some important work on it. I very much appreciate the benefits that it could deliver, particularly when tied in with development proposals, if they go ahead. I am keeping a close eye on that. The hon. Gentleman will not be surprised to hear that I cannot give him guarantees on funding at the moment because of the state of the public finances. However, I know that the local authorities are taking this very seriously.

T4. [10297] **Christopher Pincher** (Tamworth) (Con): Does my right hon. Friend agree that although high-speed rail services are important to our economy, many communities along the route, whichever may be chosen, will be adversely affected, including some communities in my own constituency? Will he therefore agree to mitigate, as far as he can, the impact on those communities, and will he also agree to—

Mr Speaker: Order. This is Topical Questions, so one question—short and sharp.

Mr Hammond: I think I can gather the balance of the question, Mr Speaker. We well understand that the national strategic and economic benefits of the high-speed rail network have to be balanced against local environmental disbenefits. Of course, the project will be designed with maximum sensitivity in mind, and I am happy to tell my hon. Friend that I will be visiting the line of the proposed route in the summer recess.

Alison McGovern (Wirral South) (Lab): Last week, I spoke to residents in Heswall in my constituency who are most concerned to get the train to Liverpool rather than their cars. The Wrexham to Bidston electrification project is vital for that. Will the Minister explain briefly what work her officials in the Department are doing to work with Network Rail, Merseytravel and others to take this vital project forward?

Mrs Villiers: We are in touch with Network Rail and Merseytravel on this issue. Indeed, I discussed it with the director general of Merseytravel only recently. The hon. Lady will appreciate that this has been worked on by the Welsh Assembly Government, and I very much hope that progress can be made on it. However, she will appreciate that, as I said previously, the crisis in the public finances that we have inherited means that I cannot give guarantees on additional funding from central Government at the moment.

T5. [10298] **Charlie Elphicke** (Dover) (Con): I see that the shipping Minister has been to Harwich and Felixstowe in the past week. I invite him to come and see the port of Dover, so that he can see at first hand how our plans can be the jewel in the crown of the big society and make Dover the jewel in the crown of the nation once again.

Mike Penning: That is a fantastic offer which, of course, I will accept.

Alison Seabeck (Plymouth, Moor View) (Lab): Will the Secretary of State respond to a letter that I received from a constituent of mine, Mr Rod East? He is 61 and has a concessionary bus pass. Plymouth city council will have to renew it in 2011 under the system it is operating. Will he please confirm his earlier statement that no changes to the concessionary bus pass will apply to Plymouth city council?

Mr Hammond: I can only repeat what I said earlier: we have no plans to change the national concessionary scheme. The Prime Minister and Deputy Prime Minister have both made very clear their commitment to the national scheme.

T6. [10299] **Jo Swinson** (East Dunbartonshire) (LD): I welcome the Government's commitment to high speed rail, particularly to encourage people to use rail instead of domestic air travel. Given the rising cost of rail compared with flying, what will the Secretary of State do to get the price mechanism right in order to get this shift from air to rail?

Mr Philip Hammond: The High Speed 2 project will introduce a massive increase in capacity. These will be huge trains, with 1,100 seats each, and they will run at a very high frequency. Simple demand-and-supply economics should help to keep travel affordable. At the same time, after 2012, aviation will come within the European emissions trading scheme, and the carbon costs of aviation will start to be reflected in the cost of flying.

Katy Clark (North Ayrshire and Arran) (Lab): Will the Minister rule out reclassifying Network Rail as a public company, which would be a Railtrack mark 2, and commit to a not-for-dividend organisation?

Mrs Villiers: We are looking at the options for reform of Network Rail. We believe that the status quo is not acceptable, because Network Rail is not accountable enough to its customers or the passengers whom they serve. As for its balance sheet status, we believe that this is a matter for national statisticians. We will make decisions on the future of Network Rail based on what is best for passengers and the taxpayer, and not—as the previous Government did—on the basis of tortuous calculations about whether things are on or off the balance sheet.

T8. [10301] **George Eustice** (Camborne and Redruth) (Con): One of the projects currently under review in my area is the east-west link road in Camborne and Redruth, which is a crucial element of a broader regeneration project, led by the private sector, that would create 6,000 new jobs. Does the Secretary of State agree that when it comes to prioritising transport projects after the comprehensive spending review, one of the key criteria to apply will be the impact on enterprise and jobs?

Norman Baker: I fully understand the importance attached to that scheme in my hon. Friend's constituency. I can confirm to him that the impact on the economy and job creation will be a factor taken into account in deciding whether to proceed with the scheme, along with the public finances and the opportunity to reduce carbon emissions.

WOMEN AND EQUALITIES

The Minister for Women and Equalities was asked—

People Trafficking

1. **Mr Peter Bone** (Wellingborough) (Con): If she will discuss with the Secretary of State for the Home Department proposals for border controls to identify young women entering the UK from European Economic Area countries who may have been trafficked. [10302]

The Secretary of State for the Home Department and Minister for Women and Equalities (Mrs Theresa May): I welcome my hon. Friend's tireless work in this field. Let me also do something that I tried to do a little prematurely on a previous occasion, which is to congratulate him properly on his election as joint chair of the all-party group on human trafficking. Tackling human trafficking is a coalition priority, and the Government are currently considering how to improve our response to this terrible crime, including through the creation of a border police

force. I would be happy to ensure that border controls and the protection of vulnerable groups are covered in our consultation.

Mr Bone: Could the Minister for Women have a conversation with the excellent Home Secretary about citizens coming from the European economic area who bring in children who are not of the same name as themselves? They are waved through at the moment. Could they not be separately interviewed, to ensure that they are coming in for a proper purpose and are not being trafficked?

Mrs May: My hon. Friend has raised an interesting point, although I have to say that if I start speaking to myself, people might get the wrong idea. The separate interview is done in relation to non-EEA nationals, based on a risk assessment undertaken by UK Border Agency officials, and is something that has been important. We can and do interview EEA nationals. Obviously trafficking is covert, and it is often tricky to detect. Our border controls must be part of a much wider approach on the issue, but I am certainly happy to take away the suggestion that my hon. Friend has made and have a look at it.

Fiona Mactaggart (Slough) (Lab): But is it not critical to reduce the demand for sexually exploited trafficked women, which is how the organised crime behind trafficking makes a profit? What is the Minister doing to reduce the demand for the sexual exploitation of women?

Mrs May: I recognise that the hon. Lady has had a long-standing interest in the issue, and has fought and campaigned hard on it for some time. As she will know, her Government introduced a new offence of paying for sex with somebody who had been exploited or forced into that position, which is intended to deter men from paying for sex with those who have been exploited, a category into which those who have been trafficked would obviously fall. We are currently waiting to see how that offence plays out, in terms of its impact.

Budget Implications

2. **Nia Griffith** (Llanelli) (Lab): Whether an equality impact assessment has been undertaken on the proposals in the June 2010 Budget. [10303]

5. **Rachel Reeves** (Leeds West) (Lab): What assessment the Government Equalities Office has undertaken of the relative effects of the June 2010 Budget on men and on women. [10306]

The Secretary of State for the Home Department and Minister for Women and Equalities (Mrs Theresa May): We have had to take tough decisions to reduce the deficit and secure the economic recovery essential to maintaining the living standards of women and families in this country in the longer term. The June Budget does that fairly, with a focus on protecting the most vulnerable in society, including low-income families. Assessing policy options in the light of tough financial constraints is not a one-off but an ongoing process. My officials are working with and talking to Departments about how to take account of equality considerations as they develop and implement the policies that will achieve budget reductions—budget reductions made necessary, I would remind the hon. Member for Llanelli (Nia Griffith), by Labour's mismanagement of the economy.

Nia Griffith: I find that answer quite surprising, given that three quarters of the burden of the emergency Budget introduced by the right hon. Lady's Government will fall on women. Will she explain in detail what assessment she has made of the impact of the Budget, and what representations she has made to the Chancellor of the Exchequer to mitigate its effects?

Mrs May: I think that the hon. Lady is referring to some research that the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) has undertaken. That research is partial in its assessment, because it fails to take into account a whole host of issues in the Budget, including the council tax freeze. The hon. Lady should also recognise the steps that we took in the Budget to protect people on low incomes. They include the exemption from the public sector workers' freeze—lower-paid public sector workers are predominantly women, and they will be exempt from that pay freeze. We are also working to freeze the basic rate of income tax, to increase the personal allowance, and to remove 880,000 people from income tax altogether, the majority of whom will be women. We are very conscious of the need to look at the impact of the Budget, but I suggest that the hon. Lady needs to look at the good things in it that will help people on low incomes.

Rachel Reeves: Mums, children, and women in retirement will contribute twice as much to bringing down the Budget deficit as the predominantly suited men in the square mile will pay through the banking levy. Given that the Government are so keen to stress their family-friendly credentials, does the right hon. Lady feel that that balance is fair?

Mrs May: The hon. Lady referred to people in retirement; I would simply remind her that it is this Government who are going to restore the earnings link for pensions. Her Government had 13 years in which to do that, but they failed to do it.

Esther McVey (Wirral West) (Con): The latest figures for business start-ups estimate that men start up 150,000 more businesses than women. If the same number of women as men were setting up businesses, £7 billion would be added to the economy. What is my right hon. Friend going to do to help women set up in business?

Mrs May: My hon. Friend makes an extremely valuable point. She herself has an excellent record of supporting women in business, through the women's networks that she has started. We are looking at how we can ensure that women's entrepreneurship is encouraged, but the figures that she cited are absolutely right, and we need to ensure not only that that contribution to the economy is made but that we are not wasting the talent out there that could be put to good use for society and for the economy as a whole.

Miss Anne McIntosh (Thirsk and Malton) (Con): Will my right hon. Friend pay particular attention, in any work that she does in this regard, to women who are

returning to work after bringing up a family, as they are in the greatest need of extra training?

Mrs May: I am grateful to my hon. Friend for raising that important issue, and we shall certainly look into it. Before the election, we had specific proposals that were geared towards helping women who were returning to work, to ensure that they were given the necessary skills to resume their place in the work force.

Maria Eagle (Garston and Halewood) (Lab): Mr Speaker, I am deputising for my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper), who has informed you and the Secretary of State that she cannot be here today for family reasons to do with her children.

Given that 75 per cent. of the burden of the Budget will be borne by women, will the right hon. Lady tell me what is the point of her role as Minister for Women and Equalities in this very male-dominated Government if she cannot even ensure that men and women bear the burden of the Government's deficit reduction measures equally? When she answers that question, will she clarify whether she is speaking in a personal capacity or whether she, at least, understands the constitutional concept of collective responsibility, even if the Deputy Prime Minister does not?

Mrs May: The figure that the hon. Lady has cited is not an official statistic; it is a figure that was derived from a piece of work that excluded analysis of significant parts of the Budget. That is why it is not a figure that I am going to recognise. Furthermore, if we had not taken those decisions in the Budget to deal with the deficit, and if we had adopted Labour's plans to deal with it, that would have hit women even harder than our proposals. Under Labour's proposals, expenditure on debt interest would have been higher than the expenditure on crucial public services, which are of particular importance to women.

Civil Service Recruitment

3. **Eric Ollerenshaw** (Lancaster and Fleetwood) (Con): What discussions she has had with ministerial colleagues on increasing recruitment to the civil service from black, Asian and other minority ethnic people. [10304]

The Minister for Equalities (Lynne Featherstone): Black, Asian and other minority ethnic representation in the civil service has been increasing steadily, and is broadly representative of the economically active population. We are committed to attracting the best talent from the widest possible pool of candidates. They have been targeted, and successful efforts have been made to render the civil service and the fast stream more diverse. My Cabinet Office colleagues are examining the range of BAME internships run by the Departments, and I expect to have discussions with them on the matter in due course.

Eric Ollerenshaw: We all welcome the Government's announced policy on internships for under-represented minorities. How much progress has been made on that vital policy so far?

Lynne Featherstone: It is nice that my hon. Friend and I are together again after our time on the Greater London assembly, along with many Opposition Members.

The work relating to our commitment is still at an early stage. It is important for us to build on existing programmes. Some Whitehall Departments already run internships in the summer development programme. The Cabinet Office is examining current practice and future options, and I look forward to working with it in due course to ensure that the practice is extended to all Departments.

Katy Clark (North Ayrshire and Arran) (Lab): This year's Budget cut the budget of the Equality and Human Rights Commission by 15%, and further cuts are expected. Does the Minister believe that the commission will be able to continue to carry out its statutory duties, and can she tell us what impact the cut will have on the initiatives to which she has referred?

Lynne Featherstone: There have been cuts in all budgets. The EHRC will probably concentrate on its core functions, and I expect its budget to be sufficient to enable it to deliver the equality that we all require from it.

Flexible Working

4. **Sarah Newton** (Truro and Falmouth) (Con): What discussions she has had with ministerial colleagues on proposals to extend flexible working arrangements in the public sector. [10305]

The Minister for Equalities (Lynne Featherstone): I have had several discussions with colleagues on how we can implement our commitment to extending the right to request flexible working to all. That, of course, includes those in the public sector, which has a long and successful track record in this regard. In my Department, for example, 57% of staff work flexibly, and all vacancies are advertised as being available on a flexible basis. We will seek to share that and other good practice in the public sector more widely.

Sarah Newton: Flexible working enabled me to balance caring for my husband and children with working. Without that opportunity, I probably would not be standing here today. Does my hon. Friend agree that the Government's plan to extend the right to request flexible working to all employees is the most progressive measure to encourage a culture of flexible working that any Government have yet been able to promise?

Lynne Featherstone: Hear, hear. I am glad to learn that flexible working has been an enabler in my hon. Friend's life, as it will be in so many other lives. Flexible working and the right to extend it to all will enable businesses to draw on all the skills and talents in the country, and on a wider pool of skill. It will improve recruitment and retention rates and increase staff morale and productivity, and we will all gain from that.

Parental Leave

6. **Julian Smith** (Skipton and Ripon) (Con): What progress the Government have made on the provision of a system of flexible parental leave. [10307]

The Secretary of State for the Home Department (Mrs Theresa May): I welcome my hon. Friend's continuing interest in this issue. The Government are committed to implementing the coalition agreement pledge to promote a system of flexible parental leave. We are working closely with the Department for Business, Innovation and Skills, which intends to present proposals later in the year.

Julian Smith: Small businesses in my constituency and throughout the country are concerned about the coalition's plans to change the parental leave system. However, British Chambers of Commerce has indicated to me that it would be less concerned if the Government guaranteed that this would be the only change to parental leave legislation in the current Parliament. Can my right hon. Friend tell us whether she plans to introduce the additional paternity leave regulations that are due next year?

Mrs May: I am grateful to my hon. Friend for raising the concerns of small businesses. We all recognise the problems that many of them have experienced in this respect. I continue to believe that flexible working and flexible parental leave will be of benefit overall and will benefit many small businesses, a number of which already operate flexibly. However, we are looking into how we can avoid constantly requiring businesses to effect innovations, and we are examining the timetabling of the additional paternity leave and flexible parental leave regulations.

Sexual Equality

7. **Simon Kirby** (Brighton, Kemptown) (Con): What recent discussions she has had with her international counterparts on international standards for the treatment of openly lesbian, gay, bisexual and transgender people. [10308]

The Minister for Equalities (Lynne Featherstone): Last month we published "Working for Lesbian, Gay, Bisexual and Transgender Equality", which included a commitment to use our international influence to encourage other countries to advance LGBT equality. I am committed to using meetings with international counterparts and any other levers open to us to tear down the barriers that still exist for LGBT people throughout Europe and around the world.

Simon Kirby: Will the Government use their influence to support the UN statement that calls on states to ensure that sexual orientation or gender identity may under no circumstance be used for discrimination or criminal proceedings?

Lynne Featherstone: This is such an important area in which we can use our influence and we will encourage more countries to support the UN statement on the decriminalisation of LGBT issues. We will robustly examine the human rights records of other UN member states as well.

Business of the House

11.30 am

Ms Rosie Winterton (Doncaster Central) (Lab): Will the Leader of the House give us the business for next week?

The Leader of the House of Commons (Sir George Young): The business for the week beginning 26 July will include:

MONDAY 26 JULY—Conclusion of proceedings on the Academies Bill [*Lords*] (Day 3).

TUESDAY 27 JULY—The Backbench Business Committee has chosen the usual format for business in which a Member can raise any issue.

The House will not adjourn until the Speaker has signified Royal Assent. Colleagues will wish to be reminded that the House will meet at 11.30 am on Tuesday 27 July.

The business for the week commencing 6 September will include:

MONDAY 6 SEPTEMBER—Second Reading of the Parliamentary Voting System and Constituencies Bill.

TUESDAY 7 SEPTEMBER—Second Reading of the Superannuation Bill.

WEDNESDAY 8 SEPTEMBER—Opposition day [4th allotted day]. There will be a debate on an Opposition motion. Subject to be announced.

THURSDAY 9 SEPTEMBER—The House will consider a motion relating to UK armed forces in Afghanistan. The subject for this debate was nominated by the Backbench Business Committee.

The provisional business for the week commencing 13 September will include:

MONDAY 13 SEPTEMBER—Second Reading of the Fixed-Term Parliaments Bill.

TUESDAY 14 SEPTEMBER—Second Reading of the Equitable Life (Payments) Bill.

WEDNESDAY 15 SEPTEMBER—Motion to approve Ways and Means resolutions on which a Finance Bill will be introduced, followed by remaining stages of the Identity Documents Bill.

THURSDAY 16 SEPTEMBER—General debate on the future of the UK's armed forces. The subject for this debate was nominated by the Backbench Business Committee.

I should also like to inform the House that the business in Westminster Hall for 9 September will be:

THURSDAY 9 SEPTEMBER—A debate on future controls on legal highs.

As this is the last business questions before the summer recess, may I as usual thank the staff of the House for their hard work since the beginning of this Parliament, not least on the induction programme for new Members? I hope that the staff have a good break before we return in September.

Ms Winterton: I thank the Leader of the House for the business statement, which I assume is the actual business of the House as opposed to his personal view of what it ought to be. I also add my thanks to the staff of the House for all their hard work supporting us over the past 10 weeks.

As the Leader of the House said, on Monday next week we will debate the concluding stages of the Academies Bill. Against the fiasco of the abolition of over 700 Building Schools for the Future projects, the Bill has been rushed through its Commons stages. On Monday this week, the House debated the Bill on Second Reading, and the Committee stage began yesterday. That meant that Members had just over an hour after the debate had finished to consider the speeches made during it and to table amendments. Such timetabling of debate raises serious questions over the validity of the Bill, which has not been given sufficient time for scrutiny.

Mr Speaker, the Opposition Chief Whip and I have written to you about this, but I want also to urge the Leader of the House to look at this matter seriously to ensure that parliamentary scrutiny and proceedings are safeguarded.

Will the Leader of the House ensure that when the Deputy Prime Minister answers questions next Tuesday he tells us where he got the idea that the directors of Sheffield Forgemasters were refusing to dilute their shareholding and that that was a reason not to give them the loan? We now know that on 25 May a letter was sent to the Government by a major Tory donor, Andrew Cook, who started his letter:

"I am the largest donor to the Conservative party in Yorkshire and have been since David Cameron was elected leader."

Indeed, he had given half a million pounds to the Conservative party and had provided flights worth £54,000 to the Prime Minister when he was in opposition. The letter stated that Sheffield Forgemasters management were refusing to dilute their shareholding by accepting outside equity investment. On 21 June the Prime Minister said in terms that the directors of the company were refusing to dilute their shareholding. On 22 June the Deputy Prime Minister repeated the allegation in the House.

Sir Peter Tapsell (Louth and Horncastle) (Con): On a point of order, Mr Speaker.

Mr Speaker: I will not take points of order at this stage. I feel sure that the right hon. Lady is nearing the conclusion of her remarks.

Ms Winterton: We on the Opposition Benches knew all along that that allegation was not true, because it was a condition of the loan that the company look for additional outside investment. That point has now been admitted by the Deputy Prime Minister in his letter to the company of 2 July, but he still has not set the record straight in Parliament. The ministerial code says:

"It is of paramount importance that ministers should give accurate and truthful information to Parliament, correcting any inadvertent error at the earliest opportunity."

Will the Leader of the House ensure that either the Deputy Prime Minister at his questions next week or the Business Secretary in a statement will tell us the following: first, whether the Minister of State, Department for Business, Innovation and Skills, the hon. Member for Hertford and Stortford (Mr Prisk) told the Business Secretary that he had given the letter of 25 May from the Tory donor to officials; secondly, whether either the Secretary of State or the Minister of State—*[Interruption.]*—informed the permanent secretary that

officials had been given the letter; and, thirdly, whether the Prime Minister was aware of the Andrew Cook letter and its allegations and whether the Deputy Prime Minister was aware of the letter when he repeated the allegations?

Parliament needs answers to these questions, and we need them before we rise for the summer recess. Will the Leader of the House ensure that we get them, and if he cannot get them, will he ensure that a proper inquiry is held into this matter?

Sir George Young: The first issue was the time that we have allowed for the Academies Bill, and I am surprised that the right hon. Lady has raised that today. Last Thursday I announced the business for this week. On the Order Paper was the Academies Bill programme motion, yet she did not mention that even once in the many issues she raised with me last week. If she thinks today that the programme motion was an outrage it seems slightly strange that she failed to say so last Thursday when she had ample opportunity to talk about this week's business.

On the second point about Sheffield Forgemasters, I—and many other Members—spent from 10.45 to 11.15 last night listening to the Adjournment debate during which all the issues that the right hon. Lady has raised were dealt with by my hon. Friend the Minister of State, who made it absolutely clear that the issue has always been commercial affordability. He took numerous interventions from Opposition Members, and he dealt wholly adequately with the subject, and I am surprised that the right hon. Lady has raised it again.

Several hon. Members *rose—*

Mr Speaker: Order. More than 30 hon. and right hon. Members are seeking to catch my eye and I would like to accommodate as many as possible, but we have a further statement to follow and heavy pressure on time. What is required is brevity, a textbook example of which will be provided by the hon. Member for Romford (Andrew Rosindell).

Andrew Rosindell (Romford) (Con): Will the Leader of the House join me in commending the Secretary of State for International Development on his announcement today that the pause on the development of the airport in St Helena will be lifted and that an airport will be built, thus securing the economic future of that British overseas territory and best value for the British taxpayer? Does he agree that an annual debate on British overseas territories would be of great benefit?

Sir George Young: I am grateful to my hon. Friend for his question. He refers to the written ministerial statement from my right hon. Friend the Secretary of State for International Development announcing his "provisional conclusion" that an airport is indeed the right solution for St Helena, that the short-term cost is more than "outweighed" by the long-term benefit and that it will promote inward investment and the development of the tourist industry. I pay tribute to the work done by my hon. Friend and by the hon. Member for Colchester (Bob Russell), who chairs the all-party group on St Helena. They have consistently advocated that sort of solution.

Lyn Brown (West Ham) (Lab): Newham is to have an estimated 1,300 fewer secondary school places, due in part to the loss of 14 Building Schools for the Future projects. I attended yesterday's Westminster Hall debate to request that the Under-Secretary of State for Education, the hon. Member for East Worthing and Shoreham (Tim Loughton) meet me to discuss the impact of that. Sadly, despite my numerous attempts, he refused to take my intervention. May I ask that we have a debate on this important issue on the Floor of this House? We need an opportunity not only to discuss the impact of that programme, but for the Minister to be more gracious.

Sir George Young: As the hon. Lady said, we have just had a 90-minute debate in Westminster Hall on the Building Schools for the Future programme. I will convey her particular request for a meeting with my hon. Friend the Under-Secretary. I know that, as a rule, he is more than happy to meet hon. Members from both sides of the House, and I am sure that he will readily agree, particularly when he reads *Hansard* tomorrow morning, that a meeting with the hon. Lady would be appropriate.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): The Leader of the House will know how important the post office network is to many of our constituents, particularly those receiving benefits. The Department for Work and Pensions has put out for tender on the cheques received by those who cannot cope with the card account. Will he ensure that we get a statement before the recess from the DWP on the access criteria it will use in judging that, so that those people can still use the post office network to access their benefits?

Sir George Young: I am grateful to my hon. Friend for making that point. I will contact the Secretary of State for Work and Pensions to see whether my hon. Friend and the House can be given the relevant information before we rise on Tuesday.

Clive Efford (Eltham) (Lab): The duty of the Leader of the House is to protect the interests of the House. When we have asked questions of Ministers at the Dispatch Box we have been labouring under the misapprehension that they have actually been speaking on behalf of the Government. Yesterday, we heard the statement from the Deputy Prime Minister which, it was later said, was a personal statement or a statement of Liberal Democrat policy. Will the Leader of the House make a statement about how we are to determine who is answering questions on behalf of whom on the Government Benches? While doing that, will he consider the suggestion that there should be a dress code for the Liberal Democrats? They should wear blue down one side and yellow down the other, so that when they turn the yellow side towards the Dispatch Box we know who is talking and when they turn their blue side towards it we know that they are speaking for the Tory Government. What we need to know is what—

Mr Speaker: Order. The hon. Gentleman has made his point very forcefully.

Sir George Young: I will not comment on the suggestion of a dress code for Liberal Democrat Members of Parliament. Ministers are accountable at this Dispatch

[Sir George Young]

Box for the work of their Departments, but it is not unknown for Ministers to make personal statements from this Dispatch Box. I have listened to many debates, on abortion and on other issues, where Ministers have made it clear when they are speaking about and representing their own views. I have made my own views known on many issues from this Dispatch Box, so it is not unprecedented—*[Interruption.]*

Mr Speaker: Order. We must have a bit of order. I want to the hear the reply from the Leader of the House. I am enjoying it.

Sir George Young: It is not unprecedented for Ministers speaking at this Dispatch Box occasionally to make their personal views known.

Robert Halfon (Harlow) (Con): For a long time, Harlow has had a major problem with rail fatalities, with eight in 2008 and one only last Thursday morning. Will the Leader of the House arrange an urgent debate on rail safety and consider establishing a system of special rail guards, similar to special constables, with volunteers from the local community?

Sir George Young: We have just had Transport questions, and I do not know whether my hon. Friend was able to ask that question of my right hon. Friend the Secretary of State. One rail fatality is one fatality too many and I shall certainly raise with the Secretary of State for Transport the proposition that my hon. Friend has just put to the House.

Mr Dave Watts (St Helens North) (Lab): Further to the question of my hon. Friend the Member for Eltham (Clive Efford), it is clear that at Prime Minister's Question Time yesterday the Deputy Prime Minister was answering in a personal capacity. That denied the House of Commons the ability to hold the Government to account. May we have an extra PMQs in September so that we can try to get some accountability from the Government?

Sir George Young: The Deputy Prime Minister's views on the war in Iraq are well known and should have come as no surprise to the hon. Gentleman.

Mr Edward Timpson (Crewe and Nantwich) (Con): One debate that would be welcomed by many of my constituents would be on Britain's throwaway culture and the explosion in the cost of clearing up litter in this country to the tune of more than £850 million a year—a statistic made even worse by the mess left by the previous Government.

Sir George Young: I commend the work that Bill Bryson and the Campaign to Protect Rural England are doing to prevent the additional costs on local authorities of picking up litter. I commend the Stop the Drop campaign that they are promoting at the moment. I hope that all citizens will take their responsibilities seriously and avoid putting extra pressure on local authorities by increasing the sums that they have to spend on clearing up litter.

Mr Dennis Skinner (Bolsover) (Lab): So, now that we can assume that personal statements can be made as opposed to other statements, was the junior Minister who answered on Forgemasters last night making a personal statement, a statement on behalf of the Business Secretary, or a statement on behalf of the Deputy Prime Minister? What we want are personal statements from the last two to tell the truth about the letters and the whole issue. Get them there at the Dispatch Box and stop this silly nonsense about personal statements.

Sir George Young: I do not know whether the hon. Gentleman has had time to look at *Hansard* for the debate on Sheffield—

Mr Skinner: I was here.

Sir George Young: I was here, too—

Mr Skinner: Intermittently.

Mr Speaker: Order. The hon. Gentleman should not chunter like that from a sedentary position. Let us hear the answer from the Leader of the House.

Sir George Young: The hon. Gentleman may not have seen me, because I was sitting where the Dispatch Box might have obscured his view. He will have seen in column 532 that my hon. Friend the Minister referred to "the Government's decision".

Angie Bray (Ealing Central and Acton) (Con): Many of us would have been pleased to see the action of the bailiffs to clear the so-called village from Parliament square, but slightly dismayed to find the remnants still parked on the pavement. Does the Leader of the House agree that some time should be made available to debate robust measures to clear up the mess once and for all, so that the square is open for all to enjoy and for legitimate protest?

Sir George Young: I commend the action that the Mayor of London has taken, supported by the courts, to enable the green to be cleared and, I hope, restored, so that it is a visual amenity and not an eyesore. Clearly there is work still to be done because the pavement is obstructed, and that is a matter for Westminster city council. I understand that a meeting took place recently between Westminster city council and the House authorities to discuss options for dealing with the encampments, but we are also considering amending the current legal framework governing protests around Parliament square and seeing how local byelaws might be strengthened.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Is the right hon. Gentleman aware of how much the prosperity of our regional towns and cities depends on the universities of those towns and cities? Is he aware that many vice-chancellors believe that they will have to cut thousands of teaching jobs and thousands of research jobs if this needless 25% cut goes right across the university sector?

Sir George Young: I think that that would carry more weight if the hon. Gentleman explained to the House how the deficit that he left us might be addressed. Despite the horrendous deficit that we inherited, there

are 10,000 more university places than there were last year and that is a tribute to our commitment to higher education.

Kris Hopkins (Keighley) (Con): Following the damaging comments and testimony of the former head of British intelligence about the Iraq war and the activities of the former Prime Minister, can we have an urgent debate on the representation of, and the confidence of the House in, the present middle east peace envoy?

Sir George Young: If my hon. Friend is referring to the Chilcot inquiry, I think it would make sense to await the outcome of that before the House holds a debate on the issue that he has outlined.

Meg Munn (Sheffield, Heeley) (Lab/Co-op): I welcome the Department for International Development's statement on the development of St Helena airport, as I have long argued that that makes sense in terms of value for money. Can we have a debate so that we can hear from DFID about the process that it went through to determine that making that investment now will save money in the long term? The Department for Business, Innovation and Skills might learn something from that in relation to issues such as Forgemasters.

Sir George Young: I commend the ingenuity of the hon. Lady's question. She will have seen the written ministerial statement setting out the reasons behind the provisional conclusion, which concerned whether an acceptable contract price was achieved and whether the risk of cost and time overruns were addressed. That is the right way to go and it represents the best value for money for the British taxpayer. Of course, that conclusion could not have been reached without the assent of the Treasury.

Mark Pritchard (The Wrekin) (Con): Notwithstanding the excellent efforts of the Combined Maritime Forces, the NATO naval force and EU NAVFOR—the European Union naval force Somalia—thousands of people remain captive in Somalia and the horn of Africa. Is it not time to have a review of and an urgent debate on the Government's counter-piracy policy, which affects British interests?

Sir George Young: My hon. Friend makes a powerful point. He could raise that issue in Tuesday's debate on the summer Adjournment. Now that my hon. Friend the Deputy Leader of the House knows that it might be raised, he will come equipped with a suitable reply.

Albert Owen (Ynys Môn) (Lab): Can we have a debate on the Irish economic crisis? Given that the centre-right coalition Government there introduced an emergency budget that has led to high unemployment, cuts in services and the loss of Ireland's credit rating, such a debate would enable this centre-right coalition Government here to learn lessons.

Sir George Young: The last time I looked at the opinion polls, the view in this country of what the centre-right coalition, as the hon. Gentleman calls it, is doing was rather favourable.

Mr Alan Reid (Argyll and Bute) (LD): I want to reinforce the point made by my hon. Friend the Member for West Aberdeenshire and Kincardine (Sir Robert Smith) about benefit cheques. If that contract is taken away from the Post Office, people on several of the islands and in many rural parts of my constituency will have nowhere to cash their cheques. Many of the people who receive those cheques are among the most vulnerable in society and they will not get the same help and advice in outlets such as petrol stations as they would in a post office. I hope that we will have an urgent statement on that next week.

Sir George Young: I think that all hon. Members will share my hon. Friend's view about the importance of the Post Office network maintaining its viability and the implications for its viability if the scenario that he outlines takes place. I shall certainly reinforce the point that was made by my hon. Friend the Member for West Aberdeenshire and Kincardine and I shall see that information is given to the House—if possible before we rise—on progress on the contract he mentions.

Thomas Docherty (Dunfermline and West Fife) (Lab): Thousands of Christmas Island nuclear testing veterans have waited many years for compensation. My understanding is that the Ministry of Defence has now accepted that there is a direct link between that testing in the 1950s and the cancers from which those people are now suffering. Will the Leader of the House ask the Secretary of State for Defence to come to the House in September and update us regarding the compensation package?

Sir George Young: The hon. Gentleman raises a serious issue. There will be questions to the appropriate Department on 13 September and I suggest that he seek to table a question for then, as that might be a suitable forum in which to raise the issue further.

Dr Julian Lewis (New Forest East) (Con): This is my blue and, I hope, red side. May we have a statement as soon as possible on the courtesies that need not and should not be extended to leading members of the British National party, even if they have been elected under an appalling system of proportional representation? That would enable those of us who do not wish to rub shoulders with neo-Nazis at Buckingham palace garden parties to return our tickets even at the last minute.

Sir George Young: My hon. Friend invites me to tread on delicate territory. The best response that I can give is that the responsibility for invitations to the garden party at Buckingham palace rests not with me but a higher authority.

Paul Flynn (Newport West) (Lab): When can we debate early-day motion 560 to praise the BBC for its unrivalled and fearless independence on the "Today" programme and to frustrate the plans of the coalition nomenclatura to shoot the messenger?

[That this House congratulates John Humphrys for his forensic questioning of the Foreign Secretary on NATO's strategy in Afghanistan, which added to the BBC's unrivalled reputation for fearless independent journalism.]

Sir George Young: I am not aware of any plans in the coalition to curtail the editorial independence of the BBC. I pay tribute to the "Today" programme, which I listen to every morning.

Jo Swinson (East Dunbartonshire) (LD): Can we have a debate on the civil service compensation scheme? Although there is much agreement across the House and, indeed, among most unions on the need for reform, there remains a great deal of concern out there and it would be helpful if the House had an opportunity to discuss this issue with a Minister, particularly to underscore the importance of meaningful consultation between the unions and the Government.

Sir George Young: My hon. Friend will have an opportunity to debate that issue, because I have announced the Second Reading of the Superannuation Bill for when we come back in September. The Administration are carrying forward the policy of the previous Administration in reducing the compensation available to civil servants who are made redundant.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): Could we have a debate on the industrial relations problems in the aviation industry, particularly with British Airways? Without any recommendation from the leadership of the Unite union, BA cabin crew have now voted for a fourth time to take industrial action, which suggests that there is a serious industrial relations problem in that once proud and well-respected company. Will the Leader of the House use his good offices to get both parties together and try to get this industrial relations problem sorted out?

Sir George Young: I very much hope that there will not be any more industrial action on the part of British Airways, as that is not in the interests of either its employees or the travelling public. I know that my right hon. Friend the Secretary of State for Transport is keeping an eagle eye on those discussions, but it is primarily a matter for negotiations between the employers and employees. I am not convinced at this stage that it would be right for the Government to intervene.

Jake Berry (Rossendale and Darwen) (Con): I am sure that many hon. Members will have noticed that the Members' dining rooms are frequented by mice. Will the Leader of the House agree to a debate on whether a tough Lancastrian cat could be obtained from Bleakholt animal sanctuary in Rossendale to repel those rodent invaders?

Sir George Young: It is indeed the case that mice are seen on the parliamentary estate. I have actually seen an hon. Member feeding them out of kindness. I will pursue with the parliamentary authorities my hon. Friend's generous offer of a cat, but there might be even more cost-effective ways of dealing with the mice than a Lancastrian cat.

Helen Jones (Warrington North) (Lab): Will the Leader of the House ensure that a Defence Minister comes to the House to make a statement on what steps are being taken to protect serving and former personnel from the risk of prosecution following the Deputy Prime Minister's statement at the Dispatch Box? What steps can the House take to ensure that men and women who are doing their duty for the country are not put at risk by such statements?

Sir George Young: I repeat what I said a few moments ago. It makes sense to await the outcome of the Chilcot inquiry before venturing into the debate on whether the war in Iraq was legal.

Mr James Clappison (Hertsmere) (Con): In view of the sudden outburst of indignation about the programming of motions, will the Leader of the House remind us when the routine programming of Bills was introduced?

Sir George Young: The programme motion for the Academies Bill was tabled a week ago. I must say that I looked in at the opening of yesterday's debate at six minutes past 2 and there were three Labour Back Benchers in the Chamber.

Kevin Brennan (Cardiff West) (Lab): We need a statement on Forgemasters before the recess, because we need to know—perhaps the Leader of the House can give us the answers—whether the Prime Minister was aware of the letter sent by Andrew Cook. Were Liberal Democrat Ministers aware of it, or were they kept in the dark?

Sir George Young: I am amazed that Opposition Members continue to flog this dead horse. The Minister of State, my hon. Friend the Member for Hertford and Stortford, explained in the debate yesterday what he did with the letter from Andrew Cook.

Dr Thérèse Coffey (Suffolk Coastal) (Con): Is my right hon. Friend aware of the crisis faced by many fishermen and women up and down our coast, and particularly in Suffolk Coastal? I absolutely commend the efforts of the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Newbury (Richard Benyon), and of my hon. Friends the Members for South Thanet (Laura Sandys) and for Waveney (Peter Aldous), but may I press for an urgent debate on fisheries management in our country, and perhaps the repatriation of powers from the common fisheries policy?

Sir George Young: My hon. Friend raises an issue of great importance to her constituents. May I suggest to her what I suggested to an hon. Friend earlier—that on Tuesday, she raises that important issue in the debate on the summer Adjournment? Again, my hon. Friend the Deputy Leader of the House will come equipped with a reply.

Bill Esterson (Sefton Central) (Lab): Will the Leader of the House find Government time for a debate on the Thornton relief road in my constituency? It was first mooted in 1934, and would not only boost the construction industry but provide much needed support for businesses and residents who face congestion every day in Thornton.

Sir George Young: The hon. Gentleman asks for a debate in Government time, but I think that the issue would be best addressed in an Adjournment debate, and I suggest that he applies to Mr Speaker for one.

Mr Graham Stuart (Beverley and Holderness) (Con): The last Administration used complex formulae for funding allocation to cheat rural areas of their fair share of support for education, health and other public services. They hid behind those formulae. May we have an urgent debate on the assessment of need in, and the allocation of funding to, rural areas, to ensure that they get a fair, not a skewed, share of national resources, having been so denuded by the Labour party?

Sir George Young: My hon. Friend makes a powerful point. He will have seen in our proposals on health funding that in future, health resources will be distributed not by Ministers, but by an independent body. I hope that he applauds the pupil premium initiative, which will address some of the deprivation issues in rural constituencies.

Angela Smith (Penistone and Stocksbridge) (Lab): Andrew Cook issued a statement this morning to the effect that he has offered funding to Sheffield Forgemasters. May we have an urgent debate on whether Government officials were involved in encouraging or negotiating any deal between Andrew Cook and Sheffield Forgemasters, in what seems like a takeover bid for the company?

Sir George Young: I am not sure what responsibility Government Ministers would have for an offer to Sheffield Forgemasters from Mr Cook, but if the hon. Lady would like to table the relevant question to my hon. Friend the Minister of State, I am sure that she will get an answer to her question.

Chris Heaton-Harris (Daventry) (Con): The Leader of the House will be aware that there was a meeting earlier this week of a number of people to whom Barclays allegedly mis-sold the Morley—now Aviva—global balanced or cautious fund, which then turned out to be adventurous. Will there be an opportunity in the near future for a debate in Government time on the mis-selling of financial products?

Sir George Young: My hon. Friend raises a serious issue. Perhaps he would initially like to raise it on Tuesday in the summer Adjournment debate, before perhaps having a Westminster Hall debate of greater length on the subject.

Mr Phil Woolas (Oldham East and Saddleworth) (Lab): On the Order Paper this morning, notice was given of 28 written ministerial statements. By 11.15 this morning, only 15 of them were available. Will the Leader of the House instruct his private secretary to write to Ministers, reminding them that written ministerial statements should be made available to the House at the earliest opportunity? At 11.25, the statement on e-borders was made available to the Library. From it, we learn that the electronic borders system, which is responsible for keeping our borders safe, is to have its contract with the supplier finished. Does that leave our borders vulnerable, and may we have a debate on the subject?

Sir George Young: I have noted the hon. Gentleman's request for a debate. On written ministerial statements, I hope that he will applaud the fact that today, some time before the House adjourns for the recess, we have got out 28 written ministerial statements, whereas in the old days, under Labour, they all came out on the last day before the recess. Of course, we will seek to make those statements available to the House at the earliest opportunity.

Andrew Percy (Brigg and Goole) (Con): Last Friday, I visited an engineering firm in my constituency that, despite the recession, has refused to lay off any of its workers. It now has problems trying to access funding from its bank, which is trying to reduce the firm's overdraft, despite the fact that the firm has £500,000 of orders on its books. May we have an urgent debate on how we can robustly encourage the banks that we own to lend to business?

Sir George Young: Indeed. My hon. Friend reminds the House that part of the contract in supporting the banks was that they should increase the amount of lending. I will see what we can do to find an opportunity to debate the matter. Perhaps that is something on which the Backbench Business Committee would like to reflect.

Huw Irranca-Davies (Ogmore) (Lab): The right hon. Gentleman knows that the great privilege of being at the Government Dispatch Box is that one speaks for the Government—and the great constraint is that one speaks for the Government. How can he assure the House that, at the Government Dispatch Box, with the dignity that it affords to an individual who steps up to it, individuals do not, perhaps inadvertently, mislead the House into thinking that they speak for the Government, when actually they are speaking just for themselves? Speaking at it is a privilege, and it needs to be taken as such.

Sir George Young: As I said in response to an earlier question, the views of the Deputy Prime Minister on the Iraq war are well known and should have come as no surprise at all to any Member of the House. Nor is it unusual for Ministers speaking from the Dispatch Box occasionally to let their personal views into the public domain.

Mr Peter Bone (Wellingborough) (Con): Just for clarification, my yellow tie should not be taken to mean anything of significance.

Will the Leader of the House explain who will be in charge of the country, and acting Prime Minister, when the Prime Minister goes on his well-earned holidays or if he is incapacitated? Would it be the Home Secretary, the Foreign Secretary, the Chancellor or, in fact, the Leader of the House?

Sir George Young: I am sure that it would not be the Leader of the House. As my hon. Friend knows, we have a Deputy Prime Minister, and that title makes his responsibilities clear. However, I see—*[Interruption.]*

Mr Speaker: Order. It is unfair of Members to heckle in this noisy, disruptive fashion. I am enjoying the Leader of the House's responses and I want to hear them.

Sir George Young: I see no prospect whatever in the near future of my right hon. Friend the Prime Minister becoming incapacitated.

Joan Walley (Stoke-on-Trent North) (Lab): In view of all the written ministerial statements today, does the Leader of the House share my concern that the statement from the Department for Environment, Food and Rural Affairs should have been a statement to the House? We could then have discussed the long-term implications of the abolition of the Royal Commission on Environmental Pollution and the withdrawal of funds from the Sustainable Development Commission—matters that are vital. I am pleased that the Environmental Audit Committee will have a role in reviewing all that, but we need those resources. As there are implications for the devolved Administrations, we need an overarching policy on green issues. When can we have a debate on the subject in the House?

Sir George Young: On the hon. Lady's first point, she wanted a statement to the House, but she has one. She wanted an oral statement. She will know that today we are debating the Academies Bill, and we already have one oral statement on Equitable Life. The more oral statements that the Government provide, the less time there is to debate important issues. However, I will see that the substantive issue that she mentioned is raised with the appropriate Minister, and that she gets a response.

Tony Baldry (Banbury) (Con): Will my right hon. Friend give an undertaking to the House that when the Chilcot inquiry issues its report, there will be a full day's debate on it? Those of us who voted against the Iraq war did so because we always believed it to be contrary to international law and illegal. The only reasonable inference that one can draw from all the evidence that has emerged is that Blair took Britain to war on the basis of a lie.

Sir George Young: My hon. Friend makes a powerful plea for a debate on the Chilcot inquiry. When the report is published, it would be appropriate to have a debate on it, in which hon. Members who took a different view from him at the time could share their views, and in which the House could debate the matter in a proper manner.

Kelvin Hopkins (Luton North) (Lab): This week, there have been reports of potentially scandalous financial dealings at the top of Network Rail, just as Iain Coucher is leaving the organisation. The Transport Salaried Staffs Association has forwarded to the Government, on behalf of management staff in Network Rail, a report asking for a thorough investigation of those dealings by the appropriate authorities. Will the Leader of the House make sure that the Government arrange for those investigations to be undertaken, and that we have a debate on the Floor of the House on the issue?

Sir George Young: I do not know whether the hon. Gentleman had an opportunity earlier this morning to raise that issue with the Secretary of State for Transport. Any allegations about anything illegal should, of course, be pursued by the police; I am sure that they will take note of the point that he has made. I will share the broader issues that he has raised about the responsibilities of Network Rail with the Secretary of State for Transport.

Julian Smith (Skipton and Ripon) (Con): Hill farmers in Skipton and Ripon and across England are facing a bureaucratic nightmare as a result of the transition from the hill farm allowance to the uplands entry level scheme. Will my right hon. Friend advise me about the best route to represent their interests at this critical time?

Mr Speaker: That was a request for a debate, I am sure.

Sir George Young: There will be Environment, Food and Rural Affairs questions on 9 September and an opportunity next Tuesday for my hon. Friend to share his concerns with the House.

Kate Green (Stretford and Urmston) (Lab): Yesterday in my constituency, we learned that a number of Playbuilder schemes in children's parks are to be cancelled. We are not sure whether that is because the funding has been removed entirely or whether it is merely because of the removal of ring-fencing. Will the Leader of the House encourage ministerial colleagues who make statements about financial plans to ensure that the House is fully informed about those plans' impact on children, who are most deserving of our protection?

Sir George Young: It is important that local authorities should know in advance what their budgets are likely to be. However, how they spend their budgets and balance their responsibilities for children with other responsibilities is essentially a matter for local government rather than central Government.

Diana R. Johnson (Kingston upon Hull North) (Lab): The Leader of the House has announced the Fixed-term Parliaments Bill and the Parliamentary Voting System and Constituencies Bill, two important constitutional Bills that will be debated in September. Will he explain why there will be no pre-legislative scrutiny of those important constitutional Bills?

Sir George Young: It is our intention for there to be pre-legislative scrutiny where appropriate, but the hon. Lady will understand that in the first term of a new Parliament with a new Government, it is not possible for all the legislative proposals to be subject to pre-legislative scrutiny. There will be draft Bills on House of Lords reform, which is a constitutional measure, and on privileges, but if we want to make progress and improve the constitution of this country, there cannot be draft Bills on everything.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): During last week's business questions, the Leader of the House agreed to seek a statement from Foreign Office colleagues about the health of democracy in the Maldives. I do not believe that such a statement has yet been forthcoming. Given that the Foreign Office has issued a travel warning for British tourists to the Maldives, that opposition MPs there are still being detained and that the Chief Justice has been intimidated, will the right hon. Gentleman redouble his efforts to secure such a statement?

Sir George Young: I am grateful to the hon. Gentleman for raising the issue again. As he will know, this country, the UN, the US and EU heads of mission have issued a public statement urging the political parties of the Maldives to engage in a constructive and open dialogue, to address the challenges to which the hon. Gentleman

refers. We have stressed to the Government of the Maldives the importance of upholding the rule of law and we remain a strong supporter of the democratic reform process in the Maldives.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): The Leader of the House will be aware of the body of scientific evidence indicating that military low-flying activity can have serious implications for the health of the subjected population. Will he allow Government time to debate the continued need for low-flying military tactical training areas—in particular the Welsh MTTA, which covers the north of my constituency? The practice has been banned in other states such as Germany.

Sir George Young: There are also low-flying aircraft in my constituency. I am sure that the hon. Gentleman will understand that our pilots need at times to fly low as part of their training. However, I will raise his concerns with colleagues at the Ministry of Defence to see whether there is any way in which we can address the problems that he has described.

Derek Twigg (Halton) (Lab): The announcement of a timetable on Afghanistan is plainly wrong and will be welcomed by the Taliban. We have heard two different withdrawal dates and that withdrawal will depend on conditions. May we have a statement so that we can better understand the Government's policy? It is important that we get the matter right on behalf of our armed forces.

Sir George Young: There was a statement on the matter yesterday. Furthermore, I have announced a debate on Afghanistan in the first week back, at the initiative of the Backbench Business Committee. The hon. Gentleman will have an opportunity after the recess to raise the concerns that he has outlined.

Mr Wayne David (Caerphilly) (Lab): In the light of the comments made by the Leader of the House today, might it not be appropriate to have a debate on whether the title of Deputy Prime Minister should be changed to "Deputy Prime Minister in a Personal Capacity"?

Mr Speaker: I call the Leader of the House. *[Interruption.]* The Leader of the House.

Sir George Young: I was wondering whether that merited a response, Mr Speaker. I have decided that it does not.

Phil Wilson (Sedgefield) (Lab): Last year, One NorthEast attracted £750 million-worth of inward investment into the region. In fact, 82% of inward investment into the north-east comes through that regional development agency. May we have a debate to expose the fact that abolishing the RDA is an act of economic vandalism?

Sir George Young: If they want, local authorities can replace RDAs with local enterprise boards. If the hon. Gentleman's local authorities believe in the value of regional development agencies, they are perfectly at liberty to recreate one as an LEB.

Fiona Mactaggart (Slough) (Lab): May we have an urgent debate on the right of Back-Bench Members to hold the Government to account? On 15 July, a Communities and Local Government Minister said that no local authority had faced cuts larger than 2%. That statement has not since been corrected, although it is not true. Yesterday, the Deputy Prime Minister said that the war in Iraq was illegal—apparently in a personal capacity, although without informing the House of that fact. What can Back Benchers do, faced with this uncertainty about how Ministers take responsibility?

Sir George Young: The hon. Lady has raised that issue in a week when we have had the first debate in Back-Bench time in 400 years on one reckoning and in 12 years on another. We are anxious to give Back Benchers more powers. She is perfectly entitled to ask the Secretary of State for Communities and Local Government the question that she has posed about funding for Slough. She will get an answer.

Mr David Hanson (Delyn) (Lab): Will the Leader of the House explain why the Prime Minister is making a statement about the national citizen service now to Downing street and not to the House of Commons? Given that there will be no Prime Minister's questions until 8 September, can we arrange for the Prime Minister to come to the House on Monday to give a statement on that service, and also on Iraq, Afghanistan and Sheffield Forgemasters, so that he can clear up his Ministers' mess?

Sir George Young: I do not know whether the right hon. Gentleman has had time to look at the document "The Coalition: our programme for government". He will see in it a clear commitment in the social action chapter to set up the national citizen service. There has been no fresh announcement of Government policy outside the House.

Alison Seabeck (Plymouth, Moor View) (Lab): A constituent of mine who was the victim of a serious child abuse episode, and her family, came face to face at their local hospital with the paedophile responsible; he was sat grinning in reception. Will it be possible during this Session, perhaps after the summer recess, to have a debate on how the rights of victims are being subordinated to those of perpetrators of crime?

Sir George Young: I understand how distressing that encounter must have been. We must see whether there are better ways of protecting victims of paedophilia from those who have perpetrated it. I have taken note of the hon. Lady's bid for a debate. There could be a debate in Westminster Hall, or the Backbench Business Committee might like to take it on board.

Mr Clive Betts (Sheffield South East) (Lab): I know that the Leader of the House wishes that the question of Sheffield Forgemasters would go away, but it will not. When we have a further debate or statement on the subject, will he get Ministers who respond to address the important question raised by my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith)? When Ministers took the decision—we understand that they were Lib Dem Ministers—and officials were engaged in the discussions, were they aware of Andrew Cook's

[Mr Clive Betts]

objections? Were they aware that Mr Cook was a major donor to the Tory party? Importantly, were they aware of his conflict of interest and that he was expressing an interest in personally investing in the company?

Sir George Young: The issue of the Andrew Cook letter was dealt with extensively by the Minister of State in yesterday's debate. The hon. Gentleman had a half-hour Adjournment debate but took only nine minutes to develop his case at the beginning. He has had ample opportunity on the Floor of the Chamber to raise the issue of Sheffield Forgemasters.

Mr Speaker: I am grateful to colleagues for their co-operation, which enabled no fewer than 48 Back-Bench Members to take part in business questions. We now come to the statement—[Hon. Members: What about points of order?] Points of order come after statements; we look forward to them with eager anticipation.

Equitable Life

12.19 pm

The Financial Secretary to the Treasury (Mr Mark Hoban): With permission, Mr Speaker, I would like to make a statement on Equitable Life.

Both coalition parties are committed to justice for Equitable Life's policyholders; we each made manifesto commitments, and these are reflected in our programme for government. No one should be in any doubt about our commitment to policyholders, who have waited a decade for justice. We are committed to implementing the parliamentary ombudsman's recommendation, made two years ago, and

"to make fair and transparent payments to Equitable Life policyholders through an independent payment scheme for their relative loss as a consequence of regulatory failure."

We have taken important steps towards implementing that commitment. We announced in the Queen's Speech that a Bill would be presented to Parliament in this legislative Session, and today we are doing just that.

When I came into office, I reviewed Sir John Chadwick's terms of reference and asked him to complete the work that he had started. I can tell the House that Sir John's report, alongside the extensive actuarial advice underpinning it, has been published today, and copies have been placed in the Vote Office. I want to thank Sir John for his dedication in completing this complex and challenging task. Sir John has helped to progress the aim to establish a scheme that is fair both to policyholders and to taxpayers. He has proposed a flexible approach to determining losses that eliminates the need for policyholders to show what they would have done if the maladministration had not occurred.

I want to stress, however, that Sir John's review is just one of the building blocks in resolving what is a complex matter, and that there are other judgments to be made in determining the final shape of the scheme and the amounts that will be paid out. I have always been committed to dealing with this matter with the utmost transparency. I therefore want to set out to the House today the key elements of Sir John's methodology and the figures calculated at each intermediate step in quantifying losses according to his approach. First, however, let me make it clear that these are preliminary figures. There is further work to be done before a final estimate can be produced. These figures have been produced for the Treasury by Towers Watson, and I have placed a copy of its letter in the Vote Office.

Let me remind the House that the ombudsman considered that the financial loss suffered by policyholders was a consequence of the reduction in policy values in July 2001. These amounted to a reduction in the gains they expected to make from their policies, rather than the sums they were contractually entitled to. As a result, Equitable Life's policies are lower in value today than they would have been without these cuts. The difference is the absolute loss, which Towers Watson estimates as being between £2.9 billion and £3.7 billion. Sir John then goes on to identify relative loss—that is, the difference between the returns that policyholders actually received from their Equitable Life policies and the returns they would have received if they had invested in a comparable product in an alternative life insurance company. This step produces a loss of between £4 billion and £4.8 billion.

For a number of policyholders, because of the strong performance of comparable life companies, their relative loss is greater than the absolute loss they suffered. Consistent with the ombudsman's recommendation, Sir John has advised that relative loss for an individual policyholder should be capped at the absolute loss they suffered. It is hard to see how it would be fair either to the taxpayer or to other policyholders if some policyholders received more through redress than they had actually lost. If the proposed cap is adopted, then the figure will be £2.3 billion to £3 billion.

Sir John and the Equitable members action group—EMAG—are in agreement that not all policyholders would have decided against investing in Equitable Life had its regulatory returns not been subject to maladministration. There is scope for debate about by how much investment would have been reduced. Sir John advises that the majority of policyholders would have invested in Equitable Life irrespective of maladministration. He therefore proposes that policyholders should receive only 20% to 25% of the capped figure that I mentioned. I know that some stakeholders will dispute this proportion. This results in a figure of £475 million to £650 million.

Another difficult aspect of Sir John's methodology is the assessment of internal relative loss—the loss that policyholders have suffered as a result of keeping money in Equitable Life when it was not being regulated properly. Taking this step into account, Sir John's final loss figure is £400 million to £500 million. This figure is lower principally because a number of policyholders made relative gains as a result of maladministration.

As I said earlier, Sir John's work is a building block that helps us to produce a fair and transparent payment scheme. I am aware that some of his findings will be contentious and are based on complex analysis, so I will reflect on his report and I will listen to representations by interested parties, including Equitable Life and EMAG, which has campaigned tenaciously on behalf of policyholders. As is apparent from the letter from Towers Watson, further work needs to be done over the summer to produce a final estimate of loss.

As the ombudsman noted, it is appropriate to consider the impact of any scheme on the public purse. The scheme will be a significant spending commitment for this Government and will therefore be considered in the light of what is affordable as a part of the spending review. I will set out the funding available for the scheme at the spending review on 20 October, alongside the final loss figure.

The ombudsman also concluded that the design of the scheme should be independent of the Government. I support this view, and I announced on 26 May that I would establish an independent commission to advise on the best way to allocate payments to policyholders and help to develop the design of the scheme. Today I can announce that Brian Pomeroy, John Howard and John Tattersall have agreed to form the independent commission on Equitable Life payments. I believe that their experience and expertise will be invaluable to the commission, and I am confident that we have the right people to do the job. The commission will start work imminently so that we can begin making payments as soon as possible. I have asked the commission to report by the end of January 2011.

The final question that I would like to address is how soon policyholders will receive payments. I would like to end the plight of policyholders as quickly as possible, and I aim to begin making payments in the middle of next year. If we are to achieve this goal, however, it is important to avoid any unnecessary delays. I will do all that I can to make sure we stick to this timetable, and I hope all interested parties will help us to do so. This is, however, a very complex task. We have made much progress since the Government were formed, but there is a great deal left to do. We need a simple, transparent and fair scheme that meets the needs of 1.5 million policyholders who have between them 2 million policies and have made 30 million premium payments. It is in the interests of each of those policyholders to complete this task quickly, but also carefully and thoughtfully.

In the past two months, we have published Sir John's report; set up the independent commission on Equitable Life payments; published the first robust figures surrounding the calculation of relative loss; opened up the process, making it much more transparent; put in place a framework for the payment scheme; and produced legislation to give the Treasury statutory authority to make payments. We have achieved more in two months than the last Government did in the two years since the ombudsman reported. The coalition Government have demonstrated their commitment to justice for Equitable Life policyholders, and I commend this statement to the House.

Mr Liam Byrne (Birmingham, Hodge Hill) (Lab): I thank the hon. Gentleman for early sight of his statement and for the opportunity to review Sir John's report in full at the Treasury this morning.

I would like to start by repeating the words of apology to Equitable Life policyholders that I made to the House earlier this year for the failure of regulation of Equitable Life under successive Governments between 1990 and 2001.

I thank Sir John Chadwick for his detailed report, which we commissioned. He has taken on an extraordinarily complex matter, and he has done an admirable job. I also thank officials at the Treasury for the work that they have done over the past six months in getting ready the legislation which I am glad to see that the hon. Gentleman has published today. I, too, thank EMAG. I am grateful for the work done by the all-party Equitable Life policyholders group, chaired by the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) and my hon. Friend the Member for Leeds North East (Mr Hamilton).

When I came to the House earlier in the year, I said that there was a clear ethical obligation, even if not a legal obligation, for compensation for Equitable Life policyholders. Equally, however, I knew that case-by-case compensation for policyholders, as suggested by the ombudsman, was not practical. I said that there were two tests for the right solution—speed and justice. I went on to say that we expected the Government to produce a report within two weeks of Sir John's final report, which we wanted to see in May. So here we are in July, and there are a few questions that I should like to put to the Minister this afternoon.

First, is the Minister actually accepting Sir John's recommendation? Earlier in the year he did a good impression of wanting to ditch Sir John's approach and revert to the one set out by the ombudsman. Today, Sir John makes it clear in paragraph 10.17 that the ombudsman's approach

"poses very difficult issues of principle, and would be impossible to implement within any realistic time-frame."

[Mr Liam Byrne]

Can the Minister confirm that Sir John's approach is the right one? He called it one of the building blocks, but will he set out whether he is accepting Sir John's report?

The second question that the House will want to know the answer to is who precisely will be entitled to help. Sir John states in paragraph 6.3 that help should cover new investments made between 1 September 1992 and 31 December 2000. Does the Minister agree with that approach? How many policyholders will be included on that basis, and how many will be excluded?

Thirdly, how much are policyholders actually going to get? Part 6 of the report sets out an approach and a method for calculating losses. Can the Minister confirm that what he has just said is that the maximum compensation will be based on a quarter of the relative losses faced by policyholders, and that that figure will itself be capped at absolute loss? Many policyholders will find that hard to square with what he said in the House earlier this year. What the House will want to know this afternoon is how much, on average, policyholders will actually get.

Fourthly, how quickly does the Minister want to complete this process? I am glad that he wants to get started next year, but the House will want to know how quickly he wants the final payments to be made. Finally, what appeal mechanism will the Government put in place for those policyholders who want to challenge their individual determinations?

It is incumbent on all of us to speed this matter to resolution. I am glad that the Minister has set out legislation this afternoon, and we will support it going through as rapidly as possible, but there are questions that our constituents will want answers to today. I hope that he will be as full as he can in replying to what I have asked.

Mr Hoban: I find the right hon. Gentleman's comments rich, as he was a member of the Government who for nine years sought to frustrate, block and delay investigations into Equitable Life and its regulation; who ignored Lord Penrose's findings of maladministration in 2004; who did everything they could to stop the ombudsman's second inquiry; who bombarded the ombudsman with new documents and comments on her draft report; who took six months to reply to her report when it was published; and who set up a review by Sir John with a report carefully timed to be released after the general election. I will take no lessons at all from him about speed of response.

Sir John's report sets out a range of approaches to calculating loss. As I said in my statement—the right hon. Gentleman had sight of it, as he said—I have not accepted that report. I will reflect on Sir John's findings and think very carefully about them. The amount that policyholders will receive will be determined by a number of factors, and partly by the compensation figure set as part of the spending review process, as I said very carefully in my statement. The independent commission will need to respond to that matter when it designs the payment scheme, which was a key recommendation of the ombudsman that the right hon. Gentleman and his colleagues rejected but we are prepared to accept and put in place. He will have to wait until that scheme design has taken place and we have worked through its implications across 1.5 million policyholders, their 2 million different policies and the 30 million transactions that they entered into.

I am determined that the scheme will proceed as quickly as possible and that we can resolve the problems faced by Equitable Life policyholders—problems that the right hon. Gentleman and his party did little to sort out over the course of the past nine years.

Several hon. Members *rose—*

Mr Speaker: Order. This is a very important statement, and a lot of hon. and right hon. Members wish to take part in the exchanges on it, but there is also very important business to follow, so there are pressures on time. What is now required is brevity.

Mr David Davis (Haltemprice and Howden) (Con): First, I congratulate my hon. Friend the Financial Secretary on achieving so much in two months. He said that he had done more in two months than Labour did in two years, but he underestimates it. He has done more in two months than they did in 10 years.

Nevertheless, there is a great deal left to be done, as my hon. Friend himself said. Halfway through next year is still a long time to wait for many of the more elderly policyholders. Can he give the House an undertaking that he will stick to that timetable so that those policyholders receive their compensation before they die, in many cases? He said that he was still considering Sir John Chadwick's proposals. Will he ensure that not only he but the independent commission takes representations from EMAG, and do so quickly?

Mr Hoban: I am grateful to my right hon. Friend for welcoming the statement. I am committed to the process taking place as quickly as possible. There are some challenges in the design of the scheme that we will need to think about when it comes to payments, but I am determined to ensure that payments start at the end of the first half of next year.

I want EMAG and others to take part in the debate about the scheme, and I am very happy for them to make representations to the independent commission that will help to draw up the detail of the scheme. I think we have a programme that will deliver justice in a way that is more robust, transparent and open than the process set out by the previous Government. I would also say to my right hon. Friend that we would have been in a better place if the previous Government had acted sooner to tackle the problem rather than trying to kick it into the long grass.

Malcolm Wicks (Croydon North) (Lab): I appreciate the difficulties of calculating loss and the complexities of the process that the Minister has set up, but can he give us any idea of the percentage range of compensation that our distressed constituents might receive? That is the question that people want an answer to.

Mr Hoban: I accept that point. It would have been better if this whole process had started much sooner and we could have given policyholders much more assurance. We will not be able to determine how much will be paid to policyholders until we go through the

spending review process, but I have committed to return to the House in October to say how much will be allocated by way of compensation. That pot of compensation will then be allocated by the independent commission.

Peter Bottomley (Worthing West) (Con): I am a member of EMAG, but I will not take any compensation for my own benefit.

May I put it to my hon. Friend that his statement will be welcomed? However, although no one thought that £4 billion was likely to come, most of my constituents—I probably have more than most who are affected—would regard £400 million as less than they expected. About £1 billion would be far more likely to be acceptable and proper.

Mr Hoban: As I said in my statement, we need to look carefully at Sir John's report and the basis on which he calculated losses, and we will feed that into the spending review process. However, I take on board my hon. Friend's points.

Mr Andrew Love (Edmonton) (Lab/Co-op): The hon. Gentleman's failure to disclose the figure for the likely compensation today is unlikely to reassure Equitable pension holders. What they are looking for is a body to be set up that is both independent of the Treasury and totally transparent in delivering figures that they can trust. They are looking for him to expedite that so that payment will be made as soon as possible.

Mr Hoban: The hon. Gentleman should listen more carefully to statements given in the House. The independent commission is at arm's length from the Treasury and will be responsible for designing the payment scheme. I would have thought his constituents would welcome that independence and transparency, which was not evident in the ideas put forward by his colleagues.

David Rutley (Macclesfield) (Con): Can the Minister provide more detail on the advice and guidance that will be provided to those affected by this sad situation, following his announcement and given the extreme passage of time?

Mr Hoban: My hon. Friend makes an important point. Some of the changes that I want to make to the process of ensuring that Equitable Life policyholders receive justice are to do with speed and transparency. More information will be available to policyholders on the Treasury website, where they will be able to see some of the work that Sir John has done and the letter that Towers Watson provided to us. There will also be questions and answers on the website to help address their concerns.

Mr Kevin Barron (Rother Valley) (Lab): Given that the Financial Secretary said that the cost to the Exchequer will be considered in the light of what is affordable according to the spending review, will the independent commission, which is designing the disbursement scheme, have terms of reference that allow it to challenge or influence the amount in the light of its findings?

Mr Hoban: I may be old-fashioned, but I think that it is up to Parliament to decide amounts that are spent and taxes that are raised. The commission will have a role in designing the scheme, but it is important that Parliament takes a view about how much should be spent. I remind the right hon. Gentleman that the ombudsman herself said in her report that we need to take into account the impact of any compensation arrangements on the public purse.

Lorely Burt (Solihull) (LD): My hon. Friend will know that EMAG and many Equitable Life members consider that Sir John Chadwick's remit, which the Labour party set when it was in government, is deeply flawed. I am glad that my hon. Friend says that what he has announced will be only one building block. Why will Equitable Life members get only 20 to 25% of the absolute loss? Can he reassure me that retrospective payments for Equitable Life members who died waiting for justice will be honoured?

Mr Hoban: My hon. Friend makes two important points. She referred to the cap of 20 to 25%, which is Sir John's assessment and proposal. I am conscious that others, including EMAG, have different views about what the proportion should be, but they accept the principle that some policyholders would have stayed with Equitable Life. Her second point, about the estates of deceased policyholders, is very important. I have given the commission wide terms of reference, with two exceptions. First, it must take into account the estates of deceased policyholders—that is fair. Secondly, there should be no means-testing.

Mr Denis MacShane (Rotherham) (Lab): The Financial Secretary's fair and measured statement might be taken more seriously had he not, in opposition, belaboured the Labour Government and made wild promises about paying full compensation to Equitable Life policyholders. Does he understand that people thought—

Hon. Members: Where's your tie?

Mr Speaker: Order. I apologise for interrupting the right hon. Gentleman. The question of his neckwear or lack of it is of no concern to the House. I just want to hear what he has to say.

Mr MacShane: Mr Speaker, I have just had extensive root canal treatment and cannot tighten anything around my neck—I am terribly sorry—but I can open my mouth. Does the Financial Secretary understand that Equitable Life policyholders will feel betrayed? When will the Government stop doing endless U-turns?

Mr Hoban: Whether or not the right hon. Gentleman wears a tie, it does not add to the sense that he makes when asking questions. We made it clear in opposition that we accepted the ombudsman's findings the day she published her report, unlike the Labour Government, who took six months to do that. We accepted the recommendations that compensation should be for relative loss and that account should be taken of the impact on the public purse. We have been consistent in that approach. I do not believe that the Conservative party has U-turned in any way. We have stuck to our commitment and made more progress on the matter in the past two months than the Labour party made in two years.

Heather Wheeler (South Derbyshire) (Con): I am delighted with the Financial Secretary's announcement. The largest postbag that I receive as a south Derbyshire MP is about Equitable Life. It is disgraceful that the matter has been going on for so long. I therefore congratulate my hon. Friend and greatly look forward to the announcements next April.

Mr Hoban: I am grateful to my hon. Friend. She is not the only Member with a bulging postbag as a consequence of the issue. I am surprised at how many more of my constituents have announced that they are Equitable Life policyholders since I became the Minister responsible. I believe that there is good news in the statement, and I hope that hon. Friends will contact their constituents who have policies to let them know about the coalition's progress.

Mr Fabian Hamilton (Leeds North East) (Lab): I think that my right hon. Friend the shadow Chief Secretary deserves some credit for his work on the issue. However, I thank the Financial Secretary for his helpful statement. Will he attend a meeting of the all-party group when it is re-formed so that a more detailed discussion can take place, given the shortage of time here and all hon. Members' interest in the issue?

Mr Hoban: I pay tribute to the hon. Gentleman's excellent work as one of the joint chairmen of the all-party group. I note that the shadow Chief Secretary spoke to its members early this year, and I am happy to do the same. We have a good story to tell and I will not turn down any opportunities to tell it.

Mr Mark Field (Cities of London and Westminster) (Con): Does the Financial Secretary feel bound by the 20 to 25% cap that Sir John seems to have plucked from the sky, or does he share my view that that flies entirely in the face of the transparency that the Government are trying to achieve for Equitable Life policyholders?

Mr Hoban: The debate is one of proportion rather than principle. In its representations on the matter, EMAG accepted that some policyholders would have stayed with Equitable Life or invested in it, despite knowing that it was not properly regulated. Indeed, several people joined Equitable Life quite late on, when its problems were well known, so there is some sense to the approach. The debate is about proportion, and I am prepared to take representations on that.

Paul Flynn (Newport West) (Lab): It is unfortunate that the Financial Secretary has omitted any word of gratitude to Tony Wright and other members of the Public Administration Committee, who pursued the matter with great energy and intelligence. Perhaps the hon. Gentleman wants to make the issue a political football. My constituents will ask what alchemy reduced £4.8 billion to a maximum of £650 million. Why do they have to wait another year? Were they not deceived by the Conservatives' exaggerated claims in their election propaganda?

Mr Hoban: Given that the hon. Gentleman was meant to be seeking a bipartisan spirit, it did not last much longer than his first sentence. I paid tribute to the hon. Member for Leeds North East (Mr Hamilton), and I know from discussions with hon. Members of all parties that all Members of Parliament want to get the matter resolved. We all have constituents who have been involved, and the Public Administration Committee was one of many routes whereby the previous Government were pursued to deliver justice for policyholders quickly.

Tessa Munt (Wells) (LD): I thank the Financial Secretary very much indeed for his comments about the speed with which he will deal with the matter, particularly on behalf of my 80-year-old constituent, Jim Barratt, who said that, at his age, time was not on his side. Given that the coalition has declared that it will apply transparency to the matter, has EMAG received the information on "Head A" calculations, which it requested, but was not forthcoming under the previous Administration?

Mr Hoban: I have made it my duty to maintain a good and open relationship with EMAG. I met its members again earlier this week and I spoke to the chairman, Paul Braithwaite, this morning to advise him that I was making the statement. Today, I am publishing 2,500 pages of material that help underpin Sir John's work and I hope that people who are interested will examine that in detail and respond to his findings and the actuarial advice that he received.

Mr Dennis Skinner (Bolsover) (Lab): When the policyholders realise just how much they will get, they will think that it is a far cry from all the statements by the then Tory Treasury spokesman, who has somehow landed up as Secretary of State for Transport, and the Liberal spokesman, who promised the moon and to pay everything in full. The small print indicates that those policyholders will now realise that the Tory party and the coalition are in full retreat on the payments that they should receive.

Mr Hoban: I know that the hon. Gentleman is concerned about pension arrangements, but in all the debates in which I participated on the matter, whether in Westminster Hall or Opposition day debates, I do not think that he spoke up once for Equitable Life policyholders.

Mr Sam Gyimah (East Surrey) (Con): I thank the Financial Secretary for the speedy and decisive action that the Government have taken in the past two months. However, my constituents will ask whether, given that Sir John's report is supposed to be a founding block, there is any likelihood of moving towards fuller compensation. Secondly, my hon. Friend mentioned the spending review. How fixed is the £400 million to £500 million? Could the figure be lower?

Mr Hoban: Sir John's report presents a range of numbers, which we need to look at in the context of the spending review. My right hon. Friends the Chancellor and the Chief Secretary will hear Members' representations on the matter, but we need to ensure that we put this matter in the context of the other spending commitments that the Government wish to make.

Albert Owen (Ynys Môn) (Lab): I have been consistent in my support of the parliamentary ombudsman recommendations, and I welcome the Financial Secretary's statement as a building block. He has been very clear that he wants payments to begin in the middle of next

year, but may I press on him an appeals procedure, because if we do not have one or a timetable for appeals, the matter could drag on for many years?

Mr Hoban: The hon. Gentleman makes a sensible point and I am grateful for his welcome of today's statement and the progress that I announced. He is absolutely right about an appeals mechanism, and the Treasury are looking at that proposal at the moment. Policyholders who question the data that are used—some data are quite old and policies are complex—will want a mechanism by which they can appeal, so that is important. However, I am keen to ensure that the appeals process is quick and thorough, so that people are comfortable with the outcome they get.

Stephen Hammond (Wimbledon) (Con): I congratulate my hon. Friend. As someone who took part in the Equitable Life debate in March, I do not recognise some of the wilder accusations that are being levelled against him. May I press him on the key point of his statement, which is the capped figure? I think he confirmed to my hon. Friend the Member for Cities of London and Westminster (Mr Field) that he will review the figure when he reflects on Sir John's report, but will he confirm that he will publish, and make a statement on, his methodology as to how he reaches it, whether or not he agrees with the report?

Mr Hoban: As part of the spending review process, I have already committed to publishing not only the amount of compensation the taxpayer can afford to pay, but the final loss figure. My objective is to be as transparent as possible on that calculation.

Dr Sarah Wollaston (Totnes) (Con): Although I congratulate the Minister on the undoubted speed and transparency of the process, many of my constituents will be seeking reassurance that it is safe to save in future. Will the cap of 20 to 25% be sufficient in giving them that reassurance? If not, what other measures will be taken?

Mr Hoban: I welcome my hon. Friend's comments. Many people's confidence in saving has been shaken as a consequence of what happened at Equitable Life, but she will recall that last month, my right hon. Friend the Chancellor announced reforms to the regulation of financial services, which will include a new consumer champion—a consumer markets and protection authority. That is one way to help to improve regulation and to give people confidence about saving for their future.

Andrew Bingham (High Peak) (Con): I congratulate the Minister on the speed with which he has dealt with this matter compared with the previous Labour Government. He is looking to make payments in mid-2011, which is a great deal better than the other lot led us to believe, but winter is coming up—winters tend to be a bit colder in the High Peak than in other constituencies—so is there any opportunity to make interim payments?

Mr Hoban: That suggestion has been made on a number of occasions, and I thought very carefully about interim payments. It is difficult to make an interim payment before the scheme is designed. Such payments would add complexity and delay to the creation of the scheme. When the commission considers its findings, I hope it may well decide that certain groups should receive payments in priority to others.

Rehman Chishti (Gillingham and Rainham) (Con): Policyholders in my constituency were pushed from pillar to post and had to get judicial review to get some accountability, but the previous Government did absolutely nothing. With regard to the timeline of making payments by the middle of May next year, what criteria will be applied as to who gets their money first?

Mr Hoban: That will be a matter for the independent commission. One key point for EMAG and the ombudsman was the setting up of that commission. I want to give it the maximum latitude to decide its priorities for payment and who should be paid first.

Mr Brian Binley (Northampton South) (Con): The Financial Secretary has intimated that he aims to begin to make payments by the middle of next year. Thirty thousand policyholders, including a sizeable number in my constituency, have already died, and I urge him to rethink the question of making a pro rata, interim payment based on his cap figure. Will he please think about that more seriously than his previous answers suggest, because I am fearful that more people in my constituency will die and not receive fair treatment?

Mr Hoban: Many hon. Friends have raised that issue with me in debates in recent weeks, and I have asked my officials to look carefully at it. I have also thought through very carefully how we could make such a proposal work, but I am yet to be persuaded that we can do so in a way that is fair to policyholders who might not receive an interim payment.

Nicky Morgan (Loughborough) (Con): I congratulate my hon. Friend on his announcement. Many of my constituents will be delighted at the speed with which he has tackled the matter. I noted the shadow Chief Secretary to the Treasury's apology, but also that it was limited to Equitable Life policyholders. He did not apologise for the fact that the economic situation left behind by the previous Government has limited necessarily the payments that my constituents and others will receive. Should his apology extend to that?

Mr Hoban: I am not going to refer to the letter that the former Chief Secretary left for his successor, but I must say that I did not get one from him on Equitable Life.

Mr Aidan Burley (Cannock Chase) (Con): Does the Minister agree that it is important that the compensation scheme is seen to be administered by an independent commission, and that it was wrong of the previous Government to ignore many of the parliamentary ombudsman's recommendations?

Mr Hoban: My hon. Friend makes an important point. It is important that the scheme should be designed to be independent. That is what will give maximum credibility to the scheme, and that will get maximum transparency for, and maximum support from, Equitable Life policyholders.

Mr Graham Stuart (Beverley and Holderness) (Con): Equitable Life was a poisoned pill left by the previous Government, even if no note accompanied it. As my hon. Friend the Member for Northampton South (Mr Binley) rightly said, 30,000 people have died waiting for justice. Conservatives, who have long pushed for justice for policyholders, recognise that there will be an element of rough justice no matter what happens. Will the Financial Secretary ensure that the process is speedy? Even if interim payments are not possible, will he bring the matter to a close quickly, so that people can have certainty, because they did not get that from the previous Government?

Mr Hoban: I accept my hon. Friend's point about speed, but I also accept the point made by the hon. Member for Ynys Môn (Albert Owen) on the need for appeals mechanisms, because rough justice works both ways, and we need to ensure that people are treated fairly under the scheme.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): I welcome the fact that the Financial Secretary has recognised that the 25% cap will probably be the greatest concern of many of our constituents. He said that he will receive representations, but what is the deadline for those? People will want to influence him on that decision.

Mr Hoban: As I said, the process for deciding on the maximum compensation that is payable will conclude at the spending review, and we will publish the results on 20 October. I encourage the hon. Gentleman's constituents to write sooner rather than later in that process. There are a range of views on that number and people will have their opinions on whether it is appropriate, but of course, we must set the overall position in the context of what the public purse can afford.

Nadhim Zahawi (Stratford-on-Avon) (Con): We have heard a non-apology from the shadow Chief Secretary for the previous Government's obfuscation. Will the Minister write to the Independent Parliamentary Standards Authority to ask for a special communications allowance for Labour Members, so that they can write and apologise to the families of the 30,000 people who have died and the 1.5 million policyholders who have had to wait 10 years?

Mr Speaker: Order. That question may be amusing, but I am afraid that it is irrelevant to the Minister's responsibilities, and he must not answer it.

James Morris (Halesowen and Rowley Regis) (Con): May I welcome the Minister's announcement and the speed with which he has come to the House to outline the next steps in the process? Further to an earlier question, will he clarify the time scale in which he wants to receive further representations from interested parties? He said that he wants to reflect on Sir John's findings, but can he give us an indication of the time scale for receiving those representations?

Mr Hoban: I have not set a formal deadline or time scale, but I am sure that over the summer recess, my hon. Friends will talk to policyholders in their constituencies and gather their views. The Leader of the House today announced a debate on 14 September, I believe, on Second Reading of the Equitable Life (Payments) Bill, which might give my hon. Friends the opportunity to make an oral representation.

Sajid Javid (Bromsgrove) (Con): Earlier this month, I held a public meeting in my constituency on Equitable Life, and I heard directly from many policyholders how they suffered, especially because of the inaction of the previous Government and their callous disregard for their rights. Will my hon. Friend assure me that the coalition Government will do all they can to end the long suffering of the Equitable Life victims?

Mr Hoban: Indeed I can give that commitment. I am also very mindful that at points over the previous nine years, the previous Government could have acted to bring justice to policyholders but chose not to do so. I am afraid that that is another aspect of that Government's legacy that the Conservatives have to sort out.

Mr Dominic Raab (Esher and Walton) (Con): I welcome the fact that the Minister has moved so swiftly. Equitable Life victims in Elmbridge, like those across the country, were subject to the most shabby treatment by the last Government and no amount of synthetic outrage now can hide that. They feel raw and their trust in government is almost totally undermined. May we have further reassurance that there will be close consultation with the victims in the weeks ahead, especially on the vital issue of quantum and the mooted cap?

Mr Hoban: My hon. Friend makes an important point. Confidence in this process was significantly eroded by the previous Government. I hope that what I have announced today will enable policyholders to turn a new page and recognise that we are determined to be much more open and transparent in our approach, and that will help to build the credibility of the process.

Andrew Percy (Brigg and Goole) (Con): Policyholders in my constituency are not interested in apologies that come nine years too late: they want justice. The Financial Secretary has outlined the start date for payments, but will he set a concluding date for the completion of this whole saga?

Mr Hoban: I am conscious that this is a very complex business. There are 1.5 million policyholders with 2 million policies and 30 million transactions. The policies are not straightforward and the data are old and difficult to access. I want to do as much as I can to make the process as quick as possible, and my hon. Friend has my commitment that I will do everything that I can to ensure that the date is speeded up.

Dr Julian Lewis (New Forest East) (Con): Dozens of my constituents affected by the scandal, and a cousin who lives abroad, were favourably impressed by what was said in opposition creditably by Conservative and Liberal Democrat MPs. Will my hon. Friend accept that the experience of root canal surgery by the right hon. Member for Rotherham (Mr MacShane) will be as nothing compared with what those MPs will suffer if we fail to live up to our promises? I welcome the speed with which my hon. Friend is taking action, but the content of that action must live up to the speed.

Mr Hoban: My hon. Friend is right. Each of us who signed a pledge at the general election will want to ensure that we deliver on that pledge, and no one takes that more seriously than I do.

Points of Order

1.2 pm

Mr Pat McFadden (Wolverhampton South East) (Lab): On a point of order, Mr Speaker. Yesterday at Prime Minister's questions, the Deputy Prime Minister, when trying to justify the recent decision by the Government to refuse the proposed loan of £80 million to Sheffield Forgemasters said that the decision taken by the last Government had been made knowing the funds were not available. He said:

"Lord Mandelson was writing out cheques to companies like Forgemasters, which he knew would bounce". —[*Official Report*, 21 July 2010; Vol. 514, c. 343.]

But I am in possession of a letter sent to me a few days ago by the permanent secretary at the Department for Business, Innovation and Skills commenting on the financial controls in place during the time that the decision to approve the loan was taken. That letter says that

"when a new project or policy is considered the Department provides thorough advice to Ministers, including on the following aspects: value for money, legal implications, delivery of policy objectives, stakeholder and media reaction and available sources of funding. When funding cannot be identified from within existing departmental budgets it is agreed with HM Treasury.

I confirm that the process above was in place while you were a Minister here".

In other words, the permanent secretary, an official for whom I have the highest regard, is clear that it was not the case that the previous Secretary of State approved financial decisions for which funds were not available. The Deputy Prime Minister has already got his facts wrong on the directors' shareholdings. We also have the news that a major Tory donor wrote to the Government specifically on this point and appealing for the loan not to be granted. Now the permanent secretary's letter shows that the Deputy Prime Minister has got his facts wrong again, this time on the issue of financial approval of the loan itself.

I ask you, Mr Speaker, how can we ensure that when the Deputy Prime Minister next speaks at the Dispatch box, he does not simply spray around unfounded accusations but gets his facts right on this crucial issue?

Mr Speaker: The straightforward answer to that point of order is that—if memory serves me correctly—there will be an opportunity to question the Deputy Prime Minister on Tuesday next week. If hon. Members wish to put questions to the Deputy Prime Minister on the matter to which the right hon. Gentleman has just referred, they will have an opportunity—not least in topical questions—to do so.

So far as the wider comments the right hon. Gentleman made are concerned, I can only reiterate what I have already said about the correction of errors and underline the importance of Members using their own devices to pursue those matters. I cannot be drawn into the debate. The right hon. Gentleman has stated his position and I have indicated what opportunities there are for the pursuit of the matter.

Mr Gordon Marsden (Blackpool South) (Lab): On a point of order, Mr Speaker. Earlier this week I raised a point of order with you about the Secretary of State for Communities and Local Government saying in the House

[Mr Gordon Marsden]

that he would not make any announcement about the abolition of Government offices and he was currently discussing that with interested parties—despite the fact that he had written to the contrary to the Deputy Prime Minister nine days previously. On that occasion you said that you had had no indication that the Secretary of State would come to the House to make a statement.

This morning, a written ministerial statement by the Secretary of State has announced that 1,700 posts in 10 Government offices are to be abolished. That follows a meeting that he had last night with trade union representatives when he said that he would reflect on the issues and discuss them. That is the second time in a week that the Secretary of State has indicated one thing and done another. Is it not reasonable that he should now come to the House to make a formal statement on an important issue that will affect governance and on which he has ducked and dived by making that written ministerial statement this morning?

Mr Speaker: The Secretary of State has chosen to disclose his policy through a written ministerial statement and it is open to any Minister from any Department to do that. The hon. Gentleman and others may be dissatisfied with that, and it is open to them to interrogate the Secretary of State about whatever contradictions they believe that his course of action has embodied or caused. But it is not for me to rule on whether there should be a written ministerial statement or an oral statement. The hon. Gentleman has aired his concern and I have a feeling that he will continue to air it.

Chris Skidmore (Kingswood) (Con): On a point of order, Mr Speaker. On Monday, the shadow Education Minister, the hon. Member for Gelding (Vernon Coaker), who is in his place, told the House:

"Just last month, the Swedish Education Minister warned the UK against adopting the free school model, stating:

'We have actually seen a fall in the quality of Swedish schools since the free schools were introduced'". —[*Official Report*, 19 July 2010; Vol. 514, c. 124.]

I believe that he was referring to an article in *The Sunday Mirror* on 30 May 2010. However the Swedish education Minister Bertil Ostberg said the next day in a Swedish publication *Varldenidag*:

"The article is very biased. It is taken out of context and misleading. I have not warned the British Government against introducing Free Schools. As for the Swedish Free Schools, I clearly said to the newspaper that the Swedish Free Schools are here to stay and it is something positive".

The shadow Minister's statement on Monday was therefore inaccurate. Will there be an opportunity for the hon. Gentleman to come to this House and correct that inaccuracy?

Mr Speaker: First, I think that I am right in saying that the hon. Gentleman is referring to the hon. Member for Gedling (Vernon Coaker). Secondly, I have no responsibility for Swedish Ministers, Swedish schools, Swedish policies or Swedish newspapers.

Huw Irranca-Davies (Ogmore) (Lab): On a point of order, Mr Speaker. I am genuinely sorry to have to bring this point of order to your attention and to seek your clarification and guidance. I had hoped to receive clarification from the Leader of the House earlier, but did not do so. It is a fundamental point, not about individuals or personalities but about the procedures of this place. As a shadow Minister, when I step up to the Dispatch box I speak for the shadow ministerial team and I speak collectively. I did the same as a Minister when I spoke with the authority of Government and I had a responsibility to speak on behalf of the Government.

It seems this week that we have had several situations in which statements that have been made have not been prefaced with the phrase "I speak in a personal capacity", but spoken as the Deputy Prime Minister or other Minister. Can you provide guidance on that point, for both the shadow Cabinet and the Government? Alternatively, can you show us how we can trust that statements made at the prestigious and honoured position at the Dispatch Box are Government statements, not individual views? If we wanted to give our individual views, we could go on "Thought for the Day" on Radio 4.

Mr Speaker: I am grateful to the hon. Gentleman for his point of order. Ministers speak from the Dispatch Box as Ministers, not as individuals or on behalf of parties. Ministers are responsible for what they say, and I must assume that they speak in the House on behalf of the Government.

Geraint Davies (Swansea West) (Lab/Co-op): On a point of order, Mr Speaker. At a recent Prime Minister's Question Time, the Prime Minister suggested that Lord Mandelson was going around the country with a cheque book giving out tens of billions of pounds. I now understand, from research in the Library, that the figure is hundreds of millions of pounds—a factor of 100 times less. What steps will you take, Mr Speaker, to ensure that this grotesque misleading of the nation and Parliament is corrected on the Floor of the House?

Mr Speaker: The short answer to the hon. Gentleman is: none. That is for the simple reason that he is seeking, and has sought, to continue a debate.

Alison Seabeck (Plymouth, Moor View) (Lab): On a point of order, Mr Speaker. I would welcome your clarification, not least in the light of the debate that was held here on Tuesday about the pre-release of statements prior to the Minister coming to the Dispatch Box. I do not have Superman's X-ray vision, and I stand to be corrected on this, but I saw a Government Parliamentary Private Secretary come to the House and distribute among Government Back-Bench Members a document that looked very much like the statement that the Minister then went on to read. Can you offer your guidance, Mr Speaker, so that that sort of thing does not happen in the future, if indeed it happened today?

Mr Speaker: When a statement is made and has been delivered, copies are made available to all Members. That is the proper way in which to proceed. I hope that is clear.

Alison Seabeck: Further to that point of order, Mr Speaker.

Mr Speaker: I am not sure it requires it, but we shall see. We shall give the hon. Lady another bite of the cherry.

Alison Seabeck: The document in question, which may or may not have been a statement, was distributed during business questions, although it might have been something else.

Mr Speaker: What I have already said in response to the hon. Lady's point of order stands. I am happy to reflect further on the point, but I am not sure I want to get into the issue of precisely at what point these statements are distributed. If anything further is required on that matter, no doubt she will come back to me, and I will be happy to seek to respond. But that will do for now.

Dr Julian Lewis (New Forest East) (Con): Further to the point of order by the hon. Member for Plymouth, Moor View (Alison Seabeck), whom I much admire, may I, through you, Mr Speaker, reassure her that the pieces of paper to which she referred contained nothing more noxious than a few helpful suggestions of questions that might be asked—a practice that, while not entirely to be praised, is not unknown on both sides of the House, whether in government or opposition?

Mr Speaker: I am sure that the House is enriched as a result of that point of order. We are grateful to the hon. Gentleman.

David Wright (Telford) (Lab): On a point of order, Mr Speaker. I have been reflecting on your guidance to my hon. Friend the Member for Ogmore (Huw Irranca-Davies) about the position of the Deputy Prime Minister in relation to remarks attributed to him on a personal basis. Given your guidance to the House, Mr Speaker, do you think it appropriate that the Deputy Prime Minister should now come back to the House to clarify his statement yesterday during Prime Minister's questions that the war in Iraq was an "illegal" war?

Mr Speaker: My response to the hon. Gentleman is that he is pushing his luck. I have ruled on this matter, and I have nothing to add.

BILLS PRESENTED

Fixed-term Parliaments Bill

Presentation and First Reading (Standing Order No. 57)

The Deputy Prime Minister, supported by the Prime Minister, Sir George Young, Mr Mark Harper and Mr David Heath, presented a Bill to make provision about the dissolution of Parliament and the determination of polling days for parliamentary general elections; and for connected purposes.

Bill read the First time; to be read a Second time on Monday 26 July, and to be printed (Bill 64) with explanatory notes (Bill 64-EN).

Parliamentary Voting System and Constituencies Bill

Presentation and First Reading (Standing Order No. 57)

The Deputy Prime Minister, supported by the Prime Minister, Sir George Young, Mr Mark Harper and Mr David Heath, presented a Bill to make provision for a referendum on the voting system for parliamentary elections and to provide for parliamentary elections to be held under the alternative vote system if a majority of those voting in the referendum are in favour of that; to make provision about the number and size of parliamentary constituencies; and for connected purposes.

Bill read the First time; to be read a Second time on Monday 26 July, and to be printed (Bill 63) with explanatory notes (Bill 63-EN)

Equitable Life (Payments) Bill

Presentation and First Reading (Standing Order No. 57)

Mark Hoban, supported by the Prime Minister, the Deputy Prime Minister, Mr Chancellor of the Exchequer, Secretary Vince Cable, Mr Secretary Iain Duncan Smith, Danny Alexander, Mr Francis Maude, Mr David Gauke and Justine Greening, presented a Bill to provide finance for payments in cases where persons have been adversely affected by maladministration in the regulation before December 2001 of the Equitable Life Assurance Society; and for connected purposes.

Bill read the First time; to be read a Second time on Monday 26 July, and to be printed (Bill 62) with explanatory notes (Bill 62-EN)

Academies Bill [*Lords*]

[2ND ALLOCATED DAY]

Further considered in Committee (Progress reported 21 July)

[DAWN PRIMAROLO *in the Chair*]

Clause 2

PAYMENTS UNDER ACADEMY AGREEMENTS

1.15 pm

Vernon Coaker (Gedling) (Lab): I beg to move amendment 70, page 2, line 26, at end insert—

'(1A) Payments may be made in respect of capital expenditure under an Academy agreement to an additional school only where the Secretary of State has first consulted with—

(a) local parents and children,

(b) the relevant local authority,

(c) any other persons deemed appropriate.

(1B) The purpose of the consultation under (1A) shall be to establish whether there are outstanding requirements for capital investment for existing schools in the area where the school is (or is proposed to be) situated.

(1C) Where a need is demonstrated the Secretary of State may not make payments with respect of capital expenditure under subsection (1).

(1D) A school is an "additional school" for the purposes of this section if—

(a) it does not replace a maintained school that has been or is to be discontinued, and

(b) it is not a school in respect of which an Academy order has effect.

(1E) For the purposes of subsection (1D)(a) a school does not replace a maintained school if it provides education for pupils of a wider range of ages than the maintained school.'.

It is a privilege to be back standing here as the hon. Member for Gedling—

Mr David Evennett (Bexleyheath and Crayford) (Con): We will never look at the shadow Minister in the same way again.

Vernon Coaker: I know. Perhaps it is the way I speak. Anyway, it is a delight to be back here. It does not seem long ago that we were finishing the debate last night—*[Interruption.]* No, it was not long ago. I am sure we have all had plenty of opportunity to enjoy ourselves in the intervening period and not think of anything but the Academies Bill and all the other relevant papers and documents.

Amendment 70 is an important amendment, particularly given the fiasco—frankly—of the past few weeks with respect to the Building Schools for the Future programme, the cuts to it, the reassessments and the other problems with the list. I will not rehearse those problems, but the relevance of and the need for the amendment are even more acute than they would have been had it not been for what has happened over the past few weeks. Schools up and down the country were expecting capital moneys to be provided for them to improve schools and tackle problems with school buildings. Many of those proposals were developed by local authorities, and many hon. Members on both sides of the Chamber will have helped to work up those plans over a number of months and, sometimes, one or two years, because the school-building programme was linked to school reorganisation for school improvement. But of course that was all dashed by the lists published and the review announced by the Secretary of State for Education in order to prove that he could cut budgets.

The Government are now looking to create new schools using money from their budgets. Their defence is: "Don't worry, this isn't coming from Building Schools for the Future money. It's actually coming from cuts to low-priority computer programmes", and they talk about £50 million. However, neither the Secretary of State nor the Schools Minister ever add that the £50 million is up until March 2011 only; and neither do they mention that there have been, I understand, 38 expressions of interest to the New Schools Network, which has since sought to talk to the Department. Is it 38? When he replies to the amendment, will the Minister tell us how many free schools he expects to open? I understand that the first is due to open in September 2011. How many such expressions of interest have there been so far? How many of those have changed from expressions of interest to applications? How many does he expect to open in 2011? Alongside that, how many does he expect £50 million will pay for? What will that £50 million mean for those 38 schools?

Derek Twigg (Halton) (Lab): Has my hon. Friend seen the podcast on the Department for Education website by the Secretary of State, where he says that all schools will get more money, more efficiently and more cheaply? How is that possible, given that he has just cut the BSF programme?

Vernon Coaker: Frankly, the reality is that it is not possible. What we are getting from the Secretary of State is an explanation for what he has done on the grounds that the money was not there in the budget for the Building Schools for the Future programme, when the letter from the permanent secretary to the shadow Secretary of State quite clearly points out that the money for BSF was set aside in the proper way. The school rebuilding programme in my hon. Friend's constituency has not been cut; it has been absolutely massacred. That money was there, and the permanent secretary—this is an extremely important point that will bear repeating on a number of occasions—said in the letter to the shadow Secretary of State that if the proper procedures had not been followed according to Treasury rules, the permanent secretary would have required a ministerial direction to proceed with the policy, as my hon. Friend knows. The permanent secretary at the Department for Education has confirmed that, in fact, no such ministerial direction was given, so my hon. Friend now knows the reality.

As for this £50 million, we are now being told, "Don't worry, it's not going to affect school budgets. It's not going to be a problem with respect to school buildings." However, free schools are already being affected across the country.

Mr Mike Hancock (Portsmouth South) (LD): I am grateful to the hon. Gentleman for giving way. He was very generous yesterday too, and the Committee appreciated the answers to some of the questions. However, he is talking now as if, under Labour's proposals, the money

for Building Schools for the Future was already in the bank—that is, already in the Department. However, it was made clear time and again that the money for Building Schools for the Future would be made available from savings made elsewhere. He talks as if the money was already in existence and had been earmarked, but that is complete and utter nonsense. It is now being spread about that schools would have been assured of that money, but the previous Government gave no such assurance.

Vernon Coaker: The hon. Gentleman and I often agree on education matters, but on this particular matter I do not agree with him. He will know—not only from his experience in the House, but from his local authority experience, which he had on a local education authority, as he reminded us yesterday—that when we talk about money being available, that means money being accounted for in the proper way, so that proposals to do certain things in the future are made according to the rules laid down by the Treasury. The Treasury will not allow anyone to say that they will involve schools in various waves—for example, in Building Schools for the Future—unless they conform to certain rules. The point that I was making to my hon. Friend the Member for Halton (Derek Twigg) is that the then Secretary of State—now the shadow Secretary of State—conformed to all the Treasury rules to ensure that when those schools became ready for rebuilding, the money was there in the proper way.

I was also making the point that free schools, which are the Secretary of State's preferred route forward, are already saying they are feeling the consequences of the changes that the Government have made. In the *Yorkshire Post* on 9 July—I will not read out the headline, in order to save the Secretary of State from embarrassment—it was reported that free school pioneers are worried about the impact of the changes that the Government are making and feel that they have "dealt a blow" to their proposals to establish a free school in Kirklees. Whether it is right or wrong to have a free school in Kirklees, it is not just those on the Opposition Benches who are saying that the position with respect to Building Schools for the Future has caused problems for existing schools. People whom one would have expected to support the Government—indeed, to come out dancing on the streets about what they are doing—are now turning round and saying, "Actually, the route the Government are pursuing is causing a problem."

One of the good things about being in Committee is that it gives us the opportunity to look at things in detail. When the Minister replies to this debate, I wonder whether he will comment on the terms of reference for the capital programme, which I want gently to share with the Committee. I do not know whether my hon. Friends or other members of the Committee have had a chance to look at the terms of reference for the allocation of capital funds—they might want to refer them to their constituents, because they are contained in one of those papers that gets tucked away, but which has huge significance—but there are five of them. The second is:

"To consider how to generate sufficient places to allow new providers to enter the state school system in response to parental demand"—

that refers to free schools or additional schools, or whatever we want to call them. The fifth is

"To enable the establishment of new schools."

I do not know about my hon. Friends, but the Minister might need to tell us how the Government can reassure us on that. He has turned round and said, "Don't worry, the Building Schools for the Future money has nothing to do with free schools or additional schools." However, we then read in the terms of reference for the review group that the Department has established that two of the five criteria by which decisions on how to allocate capital funds are made refer to how capital funds are to be allocated to these new schools. Anybody looking at that would say, "What's going on there?"

When we look at the criteria under the heading "Distribution of capital investment", we read the following:

"To increase choice locally determined by parental demand".

When we read more about the review, we see why amendment 70 is so important, especially as it talks about allocating capital money. At the moment, there will be no consultation with local parents, the local authority or anybody else about what will be done; it will just be the Secretary of State determining that a free school in an area would be a great thing to have. A few people will get together, write out a bit of an application—a few hundred words here, a few hundred words there—and then go the Secretary of State, who will say, "Oh, what a good idea! We'll set the free school up." However, I would again like to share with hon. Members what the document that I have quoted says. I look at this with incredulity, especially after the great fanfare with which the Secretary of State made his announcement. In that document, the Secretary of State says:

"To review and reform the requirements on schools including the building/School Premises Regulations".

What that actually means is as follows—and this is why amendment 70 is so vital.

When the Secretary of State and the Schools Minister talk to parents about establishing schools and so on, they should make things clear. Perhaps the Schools Minister's constituents are different from mine, but I do not get many parents coming to me and saying, "Can I be on the fifth floor of a tower block?", "Can I be in a disused Tesco?", or, "Those portakabins are pretty good—can I pop round there?" Most people I speak to want to get rid of the portakabins. However, the Secretary of State's vision of this new school world—this free school nirvana—is this: "It doesn't matter where you establish schools; it's fine."

We all know—my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) often makes this point, and quite rightly so—that, at the end of the day, what really turns a school around is not its structure, and often not the buildings, but the quality of teaching and learning, and the quality of leadership. However, there is no one here who would not also point out to each and every one of us—there was a survey about this a couple of days ago—that the quality of school buildings is an essential part of how we, as a civilised society, provide the standard of education that we would want in our schools, for ourselves, our teachers and our children.

1.30 pm

When we came to power in 1997, the quality of school buildings in general across this country was, frankly, an absolute disgrace. Does that mean that we have reached the point now, in 2010, where every single school is at the standard and level of quality that we

would want? No, it does not. But I can stand here as a proud member of the previous Government and say that our record on capital investment and school building transformation was second to none, and I am proud of that. People from Liverpool, the north-east and elsewhere in the country are talking to us about this Government's attack on the school building programme. Conservative and Liberal Democrat Members will have the same problems. Even at this late stage, however, we hope that the attack on the programme can be reversed.

The amendment proposes consultation with "local parents and children", and with "the relevant local authority", as well as with any "other persons deemed appropriate". If those people were consulted and told that a free school was going to be built, other parents in the area might ask where it was going to be. They might well then be told, "Oh well, it's going to be in some disused building." To be fair to the Secretary of State and the Minister and the Schools Minister, I agree with some of the things they say and I would not castigate them for everything, but I think that this proposal is completely beyond the pale. I find it astonishing.

These regulations are called "Reducing the burden on schools", but they should be called "Putting kids in substandard buildings". I am glad that my hon. Friend the Member for Halton is still here, because he and I have always taken a keen interest in these matters. At the end of the regulations, we find out that they deal with not only building school premises regulations and design requirements, but "playing field regulations". I cannot remember a time when Members on both sides of the House have not become incandescent about the selling off of school playing fields—*[Interruption.]* If the hon. Member for Burnley (Gordon Birtwistle) wants to intervene, that is fine.

Gordon Birtwistle (Burnley) (LD): The Labour party was famous for selling off school playing fields. To return to Building Schools for the Future, the majority of those building programmes were carried out under private finance initiative schemes. They were never put on the Government's balance sheets. They are all off the capital account, and are being paid for out of the revenue of the next 25 years. So how can the hon. Gentleman say that he had the money for those programmes, when he did not know whether he would have that money over the next 25 years to pay the rent on the schools that he built?

Vernon Coaker: I have already answered the point about money for schools. I suggest that the hon. Gentleman goes round to the schools being built through PFI schemes and tells them, "We don't want you in here building a school through PFI." The programmes delivered through PFI, through local authority funding or through Building Schools for the Future have transformed the quality of school buildings, and over the next decade they would have transformed the whole of the secondary school estate, either through rebuilding or refurbishment. This is a choice that we have to make: the hon. Gentleman can oppose the programme, and that is absolutely fine. He can stand up and oppose it—

Gordon Birtwistle *rose—*

Vernon Coaker: Not now! This is one of the good things about being in Committee—we can get excited and nobody really minds.

The hon. Gentleman can oppose the Building Schools for the Future programme and say that what the Government have done over the past few years has been a waste of time, but I would say to him that we have a tremendous record and that Building Schools for the Future would have delivered that transformation.

Returning to the point about playing fields, it was our Government who introduced regulations to ensure that there was agreement, including from sporting bodies, on any such land that was sold, and that the money was reinvested in the school. In one or two instances, I supported the sale of playing fields in my area when schools were being rebuilt with gyms and all-weather courts as a consequence of the money that was realised from the sale. Often, land that was labelled as playing fields was nothing more than waste ground. Numerous Members from across the country asked whether it would be possible to sell off such land as long as the money was reinvested in sports facilities in the local area. I would have thought that the hon. Member for Burnley would have supported the amendment because it would introduce consultation with local people, the local authority, parents and children on any activities where capital expenditure is moved to fund the free schools.

However, my point is that tucked away inside "Reducing the burden on schools" is the fact that the capital review will cover not only school premises regulations and design requirements but also playing fields. Does the Minister therefore envisage some free schools being set up with no access to playing fields or other outdoor sports facilities? I have heard him quite rightly highlighting the essential role in the curriculum played by sport. How on earth is that to be delivered in the light of these regulations? I know that he will get up and say that they do not mean that at all, but I can tell him that that is exactly what they mean. This is exactly what the Secretary of State said when he was talking about capital moneys being made available for free schools. He wanted the schools to be able to be set up very quickly and cheaply, and that would involve changing the regulations that local authorities would normally have had to abide by. He wanted to reduce the central requirements so that a huge number of free schools could be set up as quickly as possible, funded by moving money from one departmental pot to another. Our amendment would ensure that that choice was made apparent to local people, and I know what their decision would be if they were asked those questions.

Mr Mike Hancock *rose—*

Geraint Davies (Swansea West) (Lab/Co-op) *rose—*

Vernon Coaker: I shall give way first to my hon. Friend the Member for Swansea West (Geraint Davies).

Mr Hancock *rose—*

Vernon Coaker: Oh, okay, that's fine—

The Second Deputy Chairman of Ways and Means (Dawn Primarolo): Order. This is an interesting and important debate, but it would help the Speaker and the *Hansard* writers enormously if we knew who was rising and who the hon. Member for Gedling (Vernon Coaker) was giving way to.

Vernon Coaker: I apologise. I shall give way to my hon. Friend the Member for Swansea West.

Geraint Davies: Given the Government's strategy for the use of disused sites, does my hon. Friend agree that there will now be a perverse incentive to let schools on valuable sites fail, so that they can sell off their land and use the funds to set up other schools in disused premises? Under Labour, certain schools on good sites had difficulties, but their infrastructure was supported. They might now be asset-stripped to pursue the new strategy involving free schools on disused sites.

Vernon Coaker: That is certainly a possibility. If we change the regulations, anything is possible. The Minister will no doubt say that that will not happen, but the thrust of our argument is our desire to place certain statutory requirements in the Bill to protect the quality of educational provision, including the provision of playing fields. Any weakening of the regulations or of the findings of the capital funding review could be very damaging.

Mr Mike Hancock: I am grateful to the hon. Gentleman for giving way. With your indulgence, Dawn—[Hon. Members: "Ooh!"] I have a problem saying your surname, because I have a problem with Ps and Rs. Sometimes when I have addressed you in Committee, it has disturbed the *Hansard* writers. They wondered who the hell I was talking about. With your indulgence, I would like to make a couple of points. The first is about private finance initiatives in schools. Any local authority that has a PFI school building programme will know of the huge impediment that that brings, as well as the restrictions on developing anything in the school without enormous knock-on costs. I hope that no one is running away with the idea that everything about PFI is perfect, because that is far from the truth.

My second point is the more important, however. I agree with most of what the hon. Gentleman is saying, but so far he has not raised the question of what happens if a local authority is forced into the invidious position of allocating certain resources from LEA funding, limited though it is, and one of the schools then fails. Who will pick up the pieces? Nothing in the Bill suggests the existence of a fail-safe system enabling those pieces to be put back together once the whole has been torn apart by the establishment of a free school.

Vernon Coaker: I was not trying to suggest that PFI was a panacea for all ills, and I know that it has sometimes led to problems. I was merely suggesting that it was one of the options that had allowed some local authorities to build new schools that might not have been built otherwise.

I was going to deal with the question of what will happen if a school fails, but the hon. Gentleman has made the point well enough to save me the trouble of making it myself. I entirely agree with him. As we discovered yesterday, one of the main drawbacks of the Bill is the huge amount of detail that it contains. In relation to one clause, we were told not to worry because a committee—I cannot remember what it was called—would be set up to examine all the issues that had been raised, as the Government did not know the answers yet. We as a Parliament, however, are being asked to pass the Bill.

Some of the problems with the Bill were illustrated very effectively by the comments of the hon. Member for Portsmouth South (Mr Hancock), and other Members will doubtless make similar comments later. Moreover—let me make this point again to the Schools Minister—we cannot amend it. We can table amendments, but for a number of reasons the Government do not want it to be amended.

Does the hon. Member for Bradford East (Mr Ward) wish to intervene?

Mr David Ward (Bradford East) (LD): I am sorry. I was simply trying to catch Miss P's eye.

The Second Deputy Chairman: I do not think that my name is all that difficult to pronounce. It is Pri-mar-olo. "Dawn" or "Miss P" will not do, I am afraid. I call Mr Coaker.

Vernon Coaker: Thank you, Ms Primarolo. *[Laughter.]* The Government are seeking to save money by cutting the Building Schools for the Future programme, but they say that this expenditure is nothing to do with those cuts. They say that they are economising on low-priority IT projects. That will provide £50 million, and they have already received 38 expressions of interest.

I do not think any of us believe that that really adds up. The £50 million is only until March 2011, and because of the comprehensive spending review, no one has any idea what will happen after that. On 20 April 2010—apparently everything has changed since then, but I think it useful to draw attention to this—*The Independent* quoted the Secretary of State as saying:

"The capital cost"—

of new free schools, that is—

"will come from reducing spending on the government's extremely wasteful Building Schools for the Future programme by 15 per cent."

I know that when a party gets into power things change a little, but the Secretary of State cannot really have believed that there was not a budget for him to use if he wanted to fund his free school experiment. He did not say that last year; he said it on 20 April 2010.

Pat Glass (North West Durham) (Lab): Is not one of the saddest aspects of the debate on Building Schools for the Future the fact that it is being portrayed as simply a capital programme? It was never intended to be that. It was intended to bring about a transformation of secondary education. It was intended to improve the curriculum, improve inclusion and raise standards. Nothing that I have seen suggests to me that that will happen as a result of the free school programme. The Bill is being pushed through the House at great speed, and we are being given no evidence or details.

Vernon Coaker: My hon. Friend made a number of valuable contributions yesterday, and she is absolutely right to remind us of those facts. As I pointed out at the beginning of my speech, Building Schools for the Future was not just about school buildings; it was about transforming opportunities for young people.

1.45 pm

I have visited some of the most run-down and socially disadvantaged areas in the country—as other Members on both sides of the Committee will have done, and as the Minister will no doubt be doing—and seen the transformation that can be created by the building of a new school, at a cost of perhaps £30 million. Local people have told me, "This is the first time for years that the state has invested any significant sums in our community." We tend to say, "Perhaps we can save a bit of money here and save a bit of money there", but the symbolism of those schools in those areas cannot possibly be underestimated. That, I think, is what my hon. Friend meant when she said that Building Schools for the Future was not just about buildings, but about transformation and improving opportunities and life chances.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): The fact that 26 of our schools in Liverpool missed the boat and had their BSF projects cancelled was not due to the bureaucracy to which Government Members keep referring. A detailed reorganisation ensured that we now have the right number of schools for the right number of students in the right areas. We do not need any more schools in Liverpool, but we do need schools with suitable buildings in which young people can learn. It is an absolute disgrace that young people in Liverpool will miss out on those suitable premises on the whim of this untested, untrialled free school process on which there has been no consultation.

May I ask my hon. Friend—

The Second Deputy Chairman: Briefly.

Luciana Berger: May I ask my hon. Friend, very briefly, whether he agrees with what was said the other day by the hon. Member for Bermondsey and Old Southwark (Simon Hughes)? The hon. Gentleman said:

"It would be a nonsense to take money that could be used for improving existing schools to create new schools where, on the ground, the will of the local community is for the existing schools to continue."

Vernon Coaker: My hon. Friend is right to draw attention to the devastating impact of the cuts in the Building Schools for the Future programme on Liverpool, although, of course, it can be seen throughout the country. She is also right to draw attention to the comments of the deputy leader of the Liberal Democrats, who asked why money should be withheld from perfectly adequate existing schools to create new schools. That is a question that the Minister responsible for schools will have to answer.

Gavin Shuker (Luton South) (Lab/Co-op): The budgets of three schools in my constituency—among others—have been cut: Stopsley, Putteridge and Denbigh. Does my hon. Friend agree that it is a question not just of new school buildings, but of capacity? In the Luton local authority area, 11 new schools have been cancelled—and, unlike the constituency of my hon. Friend the Member for Liverpool, Wavertree (Luciana Berger), my constituency does need more schools. Is not the free schools policy a perfect storm for areas such as mine which need new capacity? The building of free schools is the only option for us now.

Vernon Coaker: That is exactly the point. If free schools are to be built, the money must be found somewhere, and the Government are struggling at the moment. They have raised £50 million by scrapping a few computer projects, which were described as low-capacity but would have been important to the people who would have benefited from them, but where will the money come from after that?

A week or two before the election, the Secretary of State said that funding the free schools programme would require cuts of 15% in the Building Schools for the Future programme. That is a direct quotation. It has not been corrected, and I have not heard it claimed that it was taken out of context. As I have said, that is really where the money will come from.

I am trying to be helpful to the Government and the Committee. We oppose the Bill, but we recognise that the Government will probably push it through. Even if that is the case, however, the whole point of the Committee stage is to try to improve the Bill by amending it, and to raise issues of great importance. That is why it is so disappointing that Members—on both sides of the Committee—cannot amend the Bill. I recognise that the Bill has come from the Lords, but it is astonishing that we will have spent three days debating it on the Floor of the House and not one amendment will have been allowed. I am not a political or legislative historian, but I cannot imagine that many other Bills can have spent three days on the Floor of the House without amendment. I say in all honesty to the Minister that I will not be surprised if we find sneaked into the Bill that will be coming in the autumn a couple of little measures tweaking and putting right one or two things in this Bill, because that is what usually happens when Governments rush through legislation—afterwards they think, "Oh dear, there is a problem."

The Minister of State, Department for Education (Mr Nick Gibb): The hon. Gentleman will know that there are 75 amendments and five new clauses on the amendment paper, and the Committee is perfectly entitled to pass any of them.

Vernon Coaker: The hon. Gentleman and I have debated other Bills—indeed, we have served on Bill Committees together—and on those occasions he has made one or two good points to which I have said, "That's quite a good point, and I'll come back to it on Report," and then a Government amendment is introduced. That is the usual process in the House, and when it happens everyone tells this joke: "If it was such a good amendment and the Government have come back with their version of exactly the same proposal, why did you not accept it when it was moved by the Opposition?"

The situation with this Bill is totally different from how the Minister has just described it. Not all the amendments on the amendment paper are in my name—some have been tabled by his hon. Friends, and comments have been made by other Members as well—but we are totally unable to amend the Bill. Let me say to any new Members on the Government Benches who might be tempted to strike out in a spirit of independence by organising to make a change to the Bill through proposing an amendment and seeking to press it to a Division that it would not be very long before those who traditionally sit on the far end of the Treasury Bench came to see

them to explain that that was probably not the best thing to do. I just say in all honesty to the Minister that I think it is deeply disappointing that we cannot amend the Bill in the way that many of us would want.

Mr George Mudie (Leeds East) (Lab): I understand my hon. Friend's surprise, but the Government have form on this. We have just completed our debates on the Finance Bill, all of which were taken on the Floor of the House, which never happens, and not one amendment was accepted—although, to respond to what the Minister has just said, there were many proposed amendments to the Finance Bill as well. There are two major Bills, therefore, that did not go upstairs to Committee for detailed scrutiny and to which not one amendment was made, because the Government are determined to steamroller both through the House.

Vernon Coaker: My hon. Friend makes an extremely good point. I was going to say that what is happening in respect of the Academies Bill is a one-off, but he has pointed out that this happened in respect of the Finance Bill as well. One would hope, however, that it is not a precedent of how other Bills will be dealt with.

I have tabled amendment 70 in order to try to be helpful. The amendment does not say that no capital moneys can be paid to free schools. In fact, it says capital moneys can be paid to free schools, but before that money is paid there has to be the agreement of "local parents and children", the "local authority" and

"any other persons deemed appropriate."

I thought that we were all in favour of the new localism and local decision making, and the point of the amendment is to allow the local people and communities along with the local authority to determine whether the capital moneys proposed to be used to set up a free school—that will be agreed by the Secretary of State—should be spent in that way, when it might have been used for the benefit of other schools in, for example, Liverpool, Halton and Luton.

I am trying to be helpful to the Government, therefore. I am saying to the Government, "You establish the free schools—the 'additional schools' as the Bill calls them—but if you're going to take capital moneys away from other schools in the community to establish the free schools, then let's see whether the local people and the local authority agree." Given the furore we have seen over the cuts to Building Schools for the Future, with communities throughout the country seeing their new school buildings taken away from them, I wonder what they would say when asked whether they would wish to see their new school buildings sacrificed on the altar of a school experiment that is unproven and supported by no evidence one way or the other. I know why the Government will not accept this amendment, therefore: because they would be frightened of the answer they would get from local communities, who would turn around and say, "We want capital moneys spent for the benefit of the whole community, not for the benefit of a few."

I have some questions linked to the amendment for the Minister. How many free schools does he expect there will be? How much money does he expect to spend on each free school? What do the changes in the review of capital expenditure actually mean? Are there going to be any regulations or are we going to allow children to go on the 13th floor, let us say? I note that the head of Tesco property offices is one of the advisers to the capital review group, and we will see what happens there. Can the Minister confirm that he expects the first free schools to open in 2011? Does he expect to spend all of the £50 million? Does he expect that to be enough money to develop the 38 schools in September 2011?

While we are talking about Building Schools for the Future, may I also ask the Minister to confirm how many academies have been affected by the BSF cuts? Looking at the list, it appears that while many local authority-maintained schools have had their BSF money stopped, lots of the academies are listed as under review. Will the Minister take this opportunity to explain to us exactly what is happening in that regard?

How much does the Minister expect the free schools to cost not only over the next six months or year, but over the next five years? How much money will the Department for Education be trying to get from the Treasury in the next spending review? What evidence does he have that the moneys to be invested in free schools is a policy worth pursuing and that it is worth taking money from the vast majority of schools to fund what I regard as an educational experiment?

We look forward to hearing the Minister's response, and the comments of other Members who may also want to contribute to this important debate. At the heart of the debate on all the amendments, including amendment 70, is the fact that there are those of us who wish to try to ensure that opportunity and excellence for all is made a reality in every single community. There is a difference between the Government and the Opposition on this. Sometimes we are characterised as wanting to pull down those who can excel. Far from it: we want all children to achieve, including those who have talents and ability. We want all children to have school buildings of which they can be proud. The amendment before us seeks to ensure that, where the Government want to divert capital moneys from one set of priorities to another, that is done on the basis of local support—the support of local parents and the local authority—and not done at the whim of the Secretary of State.

Mr Ward: May I say how much I, as a new boy, have enjoyed the Committee stage and how useful I have found it as a mechanism for at least asking questions and trying to clarify points? Yesterday's proceedings were long, but very useful to me in trying to understand how this process works.

There is value in this amendment. It is always important to spend public money as wisely as we possibly can. There will be disputes about policy initiatives and priorities, but whatever the priority, we need always to get the best value for the money we spend. If that was ever important, it certainly is now. In the spirit of the Committee, I shall not go into why we are in the difficulties that we are in, but most people accept that we are in a time of great austerity where we face cuts, tax increases and spending decisions that require careful thought.

2 pm

Priorities are the real issue, and they are well highlighted in the amendment. We have a good opportunity to find out where hon. Members' priorities lie. It is very difficult for some to hold the line on the Building Schools for the Future programme, although not in terms of reviewing

the BSF process. Many of us have been critical of that process for a long time because of its bureaucracy and value-for-money elements. It is useful to consider that this is an existing proposal, because although we have been told by the Minister of State, Department for Education, my hon. Friend the Member for Brent Central (Sarah Teather), that the BSF parrot is very definitely dead, we have also been assured that the investment in school buildings is not. One of the purposes of the BSF review is to examine where we can still spend money, although probably in a better way. That issue touches many hon. Members from all parts of the House, because we have local schools that are caught up in the BSF programme and whose funding has been frozen.

We cannot have everything that we want in life, particularly when times are hard, so the question becomes one of what we actually spend and the priorities we make. The amendment proposes that a new subsection (1B) to clause 2 should state:

"The purpose of the consultation…shall be to establish whether there are outstanding requirements for capital investment for existing schools".

I know of 19 schools in the Bradford district that are part of the BSF programme and have outstanding requirements, six of which are located in my constituency. Two of those are special schools that most certainly have outstanding requirements for capital investment. I am using the amendment to find an answer to the question: where do the priorities lie?

In a recent interview with "Channel 4 News" the Secretary of State said:

"We're allocating £50 million of capital over the next year".

It came as somewhat of a shock to me that at this time of austerity, when we are rejecting many other worthwhile proposals, such as the extension of free school meals, because we have not got any money, all of sudden £50 million could be conjured up to support an initiative. He went on to say that that allocation would be

"up to April of next year, in order to help get some projects off the ground".

The crucial bit came when he went on to say:

"And then in the future this will be, obviously, a priority for our capital expenditure."

That relates to my question. We may not be able to afford all the projects that are included within the BSF programme, and we need to carry out the review, but where do the schools involved in that programme stand in the pecking order against this proposal to put new money into the new schools that are being created? We have had the debate on the principles, the philosophy and the ideology of this thing, so this thing is likely to happen. This is not simply about rushing through legislation, but about its implementation. Where does the funding for these particular proposals stand in relation to the huge expectation and demand that has been created by the BSF programme? Where does it come in the pecking order?

That will be crucial when we have to go back to schools at the end of the review and say, "I am sorry. We carried out the review and we have not got any money for you." How will they receive that response if, at the same time, we are investing in other schools—in new schools that are being opened? Such schools may be in areas with surplus places—in other words, there may not be a demand for a new school. The value of the amendment is that it allows us to discuss our priorities and where this particular initiative stands in that list of priorities.

Derek Twigg: My hon. Friend the Member for Gedling (Vernon Coaker) will recall that we both made our maiden speeches on Labour's flagship Bill in 1997. He will also recall the optimism that existed in the country then for education and for the incoming Government. How different the mood is today. My constituency, which has been devastated—*[Interruption.]* The hon. Member for East Hampshire (Damian Hinds) might laugh, but he is laughing at the fact that 11 schools have been taken out of the project, with three under review, and at the impact that that has had on more than 7,000 children in my constituency. Frankly, I say to him that this is no laughing matter and I shall ensure that my constituents understand that the coalition thinks that it is.

As the shadow Minister said, what has happened in constituencies such as mine has resulted in absolute devastation. The amendment is very interesting because it allows us to discuss the capital programme and how we should see that in relation to what has happened to the BSF programme and how we spend capital in the future. What is also interesting is that this Government are having a review of capital expenditure, yet they are pressing ahead with the Bill. Both have an impact on each other, so this is a remarkable situation.

Let me deal with what is being done and what is being spent. In yesterday's Westminster Hall debate, the Under-Secretary of State for Education talked about lavish expenditure on schools. I think that our schools deserve lavish expenditure. When he tried to say that somehow this was inefficient, I pointed out to him that last year's National Audit Office report said that the cost of BSF schools was no more than any other programme and, in fact, was cheaper than the original academies that were built. It is not the case that these schools were in any way inefficient or that the money was not available.

Mr Mike Hancock *rose—*

Derek Twigg: I will certainly give way to a member of the coalition.

Mr Hancock: I am slightly curious about the hon. Gentleman's comment that our schools deserve lavish expenditure. What on earth was going on during the past 13 years, when so many schools were allowed to be neglected and none of the resources that were needed were coming from the Government?

Derek Twigg: I am surprised at that intervention, although I suppose I should not be. In the past 13 years, £24 million has been spent on schools in Halton. Let me give the hon. Gentleman one example. Ditton primary school waited years for a new school building, and once Labour came into power it got one built. A number of schools have had major building programmes and major improvements made, so it is not the case—it is plain incorrect—to say that Labour did nothing until the BSF programme. In fact, significantly more was done under Labour than was done in 18 years of a Tory Government. His party now supports such a Government.

Pat Glass: I am sure that I am not the only person in the House who worked in education during the time of the previous Tory Government. I remember what it was like in those school buildings, where I was putting out buckets in the hall when it rained and excluding children from the hall because it was dangerous. I said that BSF is not about a capital building programme—it is a transformation programme. Our school buildings say what we think about our young people. To have children in office blocks, disused buildings and old schools—

The Temporary Chairman (Martin Caton): Order. I have been indulgent, but interventions should be a lot shorter than that.

Derek Twigg: My hon. Friend makes an important point, which I shall come to when I ask the Minister how his handling of the amendment will affect that specific point, which is very important.

I am not sure how the Bill or, to some extent, the amendment will address the problem of school places and provision. The cancelling of the BSF project caused major problems for schools such as St Chad's Roman Catholic school and the Heath specialist technology college in Runcorn in my constituency, which were going to expand. How will they now expand? They are popular and successful schools that have seen increases in their GCSE results—the Heath had a success rate of more than 82% last year. Problems were also caused for the likes of Bankfield in Widnes, which is my old school and has been told this week that it has an outstanding report from Ofsted. How can that school expand?

Wade Deacon school has a 100% pass rate in GCSEs at A to C and serves both an affluent area and a disadvantaged area. The previous school, Fairfield, is now being closed down and will amalgamate with Wade Deacon. They were going to be built on one site. How will that happen now? It will mean a split site and all sorts of difficulties, with 400 pupils displaced. That is the consequence.

I am not sure how the Bill and this clause will help the situation in my constituency, and that is a consequence of the decision that the Government took. This amendment is about ensuring that parents' and the LEAs' views are known and taken into account. Parents and LEAs will take account of the sorts of buildings that schools need, and that was what BSF was delivering. They were consulted on the buildings, they had a lot of say, and the buildings were designed to suit the ethos of the school and what it wanted to deliver. In particular, they were designed to suit other parts of the community's involvement in them.

Toby Perkins (Chesterfield) (Lab): Just last week, I was able to visit Springwell community school, a school that is being rebuilt in Staveley in Chesterfield, which is quite a deprived area that, at one time, had terrible problems. On 1 November, it expects to receive the keys to its new Building Schools for the Future school and all involved are incredibly excited about the facilities that they have there. I have been around the new facilities and they are not in any way lavish, but they will be taking delivery of a high-quality establishment. What was important to me was that they said that the whole BSF programme enabled them to reassess not just what buildings they wanted, but the whole way they did education. Is that something that my hon. Friend has found? The BSF process was about much more than just getting buildings up.

The Temporary Chairman: I call Stephen Twigg.

Derek Twigg: Derek, even, Mr Caton. I am happy to be associated with my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg), but I must say that we are not from the same branch.

My hon. Friend the Member for Chesterfield (Toby Perkins) makes an important point, as he has before. For instance, all the schools discussed with other bodies in the area, such as the health authority, how they could improve the provision of health care and how community involvement could be increased. In areas such as mine, although we have seen significant improvements in education over the past 10 years, the average school gets more than a 72% pass mark at grades A to C, which is above the national average. For a borough that is the 30th most deprived in the country, that is some achievement, which has been given no recognition by the Government in the Bill. That has been an important part of the process. Getting the community involved and getting adults involved to improve the educational ethos and get parents and families to take an interest in their young people—many do, but many more need to—was an important part of the involvement with the schools, too.

Health is particularly important in Halton because we have some of the worst health problems in the country. We have the highest teenage pregnancy rates. That would have been an important part of the programme. These schools were not just educational establishments; they were community establishments that would have dealt with some of the problems that affect the communities in their localities. How will the Government deal with that through this Bill?

2.15 pm

The important part of the point made by my hon. Friend the Member for Gedling is that, if we are for localism and getting people and communities to make their own decisions, why would the Government object to local parents and children, the relevant local authority and other appropriate persons being involved before decisions are made? That was exactly what BSF did. Why would the Government object to that? The amendment seems perfectly reasonable.

Parents and communities as a whole can best make a judgment about whether what has been delivered under BSF could be delivered under this Bill and this clause. I am interested to hear the Minister's explanation, because parents will not be consulted in the same way, and neither will schools or LEAs. How is that an improvement on what was there previously?

The Government seem to suggest that standards were falling. They should come to Halton. I know that the Minister is very thoughtful. Why not visit my constituency and see some of the problems on the ground? He could see the inability to expand unless we put in mobile classrooms, the problems with amalgamations, and the problems with special schools that would have been placed in the same buildings as secondary schools, offering a more inclusive education. I know that he is a big Simon and Garfunkel fan, so while he is there he

can visit Widnes station, where Paul Simon composed "Homeward Bound" and see the plaque next to my plaque at that station. I offer that invitation to him.

In seriousness, I cannot describe in words the devastation caused by this decision. I have mentioned lots of schools, but not St Peter and St Paul, a very important Roman Catholic comprehensive school in my constituency, or the primary schools on which these decisions have an impact. The consequences are devastating and the amendment, although it is not perfect and will not get us all the way to where some of us want to be, is a message to the Government and gives them the opportunity to roll back a bit and to consult on BSF, which they should have done in the first place, and to think again about how they approach the system of school improvement and ensuring that we have capital invested in our buildings.

Let me finish with this point, which I raised before. The Secretary of State said on his website that schools would get "more money". How will that happen when the Government are saying that the money is not there for BSF in the first place? Those schools that follow his line will get more money and the rest will be left with none.

Dan Rogerson (North Cornwall) (LD): It is a pleasure to serve under your chairmanship again, Mr Caton, as we debate in a little more detail the Government's proposals on additional school provision. I have made it clear, both yesterday and in earlier debates, my position of being sceptical—

Mr Ben Wallace (Wyre and Preston North) (Con): Is that a personal view?

Dan Rogerson: Personally—yes, absolutely—I am sceptical about this sort of additional provision. However, the coalition agreement sets out our intention to explore avenues to make these opportunities available to communities where there is demonstrable demand for them. The Secretary of State has made it clear that he has received proposals from people in certain areas of the country who want to explore this idea and move forward, so it is sensible to make provision to do that.

Yesterday, I asked for clarification whether, in areas where such schools are to be brought into existence, the facilities will be of a high enough standard that any young people enrolled in those institutions will have the same sort of protections as other young people. I hope that any providers that wish to enter the market will make sure that, as far as possible, they provide sufficient resources for that rather than seeking to draw down moneys that might otherwise have gone elsewhere. That is the sort of provision that people might expect.

My hon. Friend the Member for Bradford East (Mr Ward) has laid out some of the political realities of the situation and the difficulties that some have in understanding where the money might come from in the current situation. Given some of the comments and remarks that Opposition Members have been making, one would have thought that everything was perfect under the previous Government and that everyone was getting all the resources they wanted in both capital and revenue terms. The school funding in my constituency was about £300 or so below the national average, so people there feel strongly that they have not had those resources. I expect that you will rule me out of order, Mr Caton, if I continue down that line, but it is important to get on the record that although some hon. Members might have experienced huge investment in their constituencies and although I welcome the fact that the Government put resources in when the money was available to do so, that money did not reach all people and not everyone was satisfied with the deal they had.

Toby Perkins: I am interested in the hon. Gentleman's comments because we in Derbyshire are also campaigning for more funding for our schools. He says that north Cornwall did not benefit from Labour's investment; is he saying that education funding has not increased dramatically in north Cornwall in the past 13 years?

Dan Rogerson: I am talking about the funding formula. As we have been talking about different parts of the country benefiting in different ways, I thought it important to get on the record that my students were disadvantaged by that formula.

The amendment is useful in that it has prompted a discussion on these issues, but there are problems with it. I note in passing the phrase in proposed subsection (1A)(c):

"any other persons deemed appropriate."

In yesterday's debate, the Opposition argued that it was not sufficient to deem people appropriate and that the list should have been much longer, and included staff, for example, so a little inconsistency is apparent.

Putting that point aside, the problem with the amendment is that it is a little vague. Essentially, it relates to situations in which anyone in the local community might think that their school needs a bit more investment for a project, but no level of investment is specified. I can see how the amendment could kick in when a school has been identified by Ofsted and everyone else as needing drastic investment, but it talks about

"whether there are outstanding requirements for capital investment".

Presumably, the consultation would leave it up to those who responded to a request to define what they deem to be "outstanding requirements", so the amendment would effectively mean that if anyone said, "We want a bit more in our existing school for this", no money would be provided. The amendment is intended to toughen up the criteria governing such requests, and I am tempted by that, but it is flawed because, in practice, it would act as a block.

I am sympathetic to some of the issues that have been raised, and I hope that the Minister will respond to them and clarify how local people may be reassured that the Government's proposed capital programme will meet as many demands for improvements to existing schools as possible.

Ian Mearns (Gateshead) (Lab): I want to support the amendment and I am concerned about the implications of the Bill on the review of expenditure on capital programmes into the future. In my borough, five Building Schools for the Future secondary school projects have been cancelled very recently. The first one that I want to talk about is the proposed amalgamation between two schools, Ryton and Hookergate, which are on the western fringe of the borough and in the constituency of my hon. Friend the Member for Blaydon (Mr Anderson). That proposed merger was the result of prolonged negotiations regarding those two schools, and the cancellation is a matter of grave concern.

Hookergate—a school that has long served the communities of Chopwell, Rowlands Gill, High Spen and Greenside, as well as many smaller, isolated rural settlements—is sadly subject to a declining pupil population, and it was set to be amalgamated with a school a few miles to the north, in the town of Ryton, on a site that the local authority was negotiating for with several landowners in the area.

Ryton school serves a very broad catchment area, including Ryton and Crawcrook. It also serves communities on the western fringe of Blaydon such as Stella, and the areas of Clara Vale, Stargate and Emmaville. Indeed, the formal part of the consultation on the local authority's proposal for amalgamation was due to start the day after the Secretary of State made the announcement in the House cancelling the programme.

Another school affected by the cuts proposal is Whickham comprehensive, a large, successful school with some 1,500 pupils in the town of Whickham. It serves surrounding villages such as Marley Hill, Byermoor and Sunniside. It is very popular, but it is in grave need of renewal, as it is in a 1960s CLASP-style building. CLASP being the consortium of local authorities special programme. It is also bursting at the seams, having suffered a fire in one of its blocks several years ago.

St Thomas More Catholic comprehensive school is very popular and successful, with high levels of academic achievement, despite the poor and cramped conditions on its site. The Joseph Swan school, named after the inventor of the incandescent light bulb, who lived in Low Fell in Gateshead, is a successful school serving the community of central Gateshead and Low Fell, where there are three Liberal Democrat councillors. It was to have its dining block and humanities area rebuilt, on the back of the highly successful rebuild of the school's main body through the traditional capital programme of the late 1990s.

Government Members have criticised us for not investing enough in schools during the 13-year tenure of the Labour Government. In my borough, we had the five schools that I mentioned left to do, but Lord Lawson of Beamish school was rebuilt using the private finance initiative; Kingsmeadow comprehensive was completely rebuilt using PFI; and the Heworth Grange and Thomas Hepburn schools are at the on-site stage. I have to declare an interest: I am still nominally the chair of governors of Thomas Hepburn school. The steelwork is now being erected so that the school can be rebuilt. Numerous primary schools were rebuilt or refurbished through combinations of old-style capital spend and PFI.

The £80 million that was due to come to us as part of Building Schools for the Future included the opportunity to adapt four schools to ensure that they were able to offer inclusive education for children with special needs, where it was the choice of parents to include youngsters with SEN in mainstream schooling. That was part of the transformational aspect of BSF to which my hon. Friend the Member for North West Durham (Pat Glass) referred. That additional SEN money that BSF talked to us about recognised the SEN review in our borough, and our ability to deliver; we could generate, according to the ready reckoner, approximately £10 million to invest in special schools, thereby completing our secondary school investment programme.

In Gateshead, we have built the angel of the north, a millennium bridge, and the Sage Gateshead concert hall and music complex, at which many Members from across the House have attended conferences. We have completed many capital projects, but what I am most proud of is the improvements in education for the children of our borough, and I hate the prospect of that improvement coming to a halt.

When the Secretary of State announced the axing of BSF, and when hon. Friends and I first raised the issue, Government Members accused us of feigning anger and outrage. After 27 years as a local councillor in Gateshead, and after a decade as the lead member on education serving the Gateshead community, I can reassure all Members of the House that I am not feigning anything. In particular, there is no pretence in my profound sadness that the much-needed continued investment in schools in my borough has been snatched away from the children who we all seek to serve.

I welcome the undertaking given by the Deputy Prime Minister yesterday to meet the borough's MPs and discuss this issue. I hope that at that meeting he will reassure us that the Building Schools for the Future programme for Gateshead has a future and has not been sacrificed on the ideological altar of investment in academy school buildings or new free schools for other, more favoured parts of the country.

In that vein, I was struck by the suggestion made by the hon. Member for Bermondsey and Old Southwark (Simon Hughes), the deputy leader of the Liberal Democrats, on the BBC last week that he would use his influence to lobby on behalf of places such as Liverpool, Sheffield and Newcastle—all places where the Liberal Democrats have had a significant foothold in local government representation. I hope that the Government will demonstrate transparency and that such decisions on school funding are made on the basis of fair criteria rather than behind-the-scenes deals.

2.30 pm

The Temporary Chairman: I call Mike Hancock. *[Interruption.]* Mike Hancock?

Mr Mike Hancock: I am sorry, Mr Caton; I was rather taken aback. It must be something to do with men with beards.

I hope that the amendment is pushed to a vote because I, for one, will support it, and for a number of reasons. First, however, I shall address some of the comments made by Labour Members. In the past 13 years, one or two Bills went through the House for which no amendments were taken.

The hon. Member for Gedling (Vernon Coaker), the former Minister, said that the futures of Conservative and Lib Dem Members who tabled amendments might be harmed because people with the position in this Government that the hon. Member for Leeds East (Mr Mudie) held in the last Government would be emotionally attached to them for some time, trying to persuade them not to do it. Interestingly, the hon. Member for Leeds East made an intervention on that point; I could see a smirk on his face that broke out into a full grin. It brought back those lovely moments when he was able to exercise his persuasive powers; Members might have weakened, taken the advice of the Labour Front Benchers and tabled amendments.

[Mr Mike Hancock]

I say to my coalition colleagues, particularly those in the Cabinet, how sad it is that these two debates have been so intertwined and what a mistake it was to link the Building Schools for the Future fiasco and its associated problems with an idea that might have got greater support if the two issues had been divorced. Nearly every contribution during yesterday's and today's debates has linked both issues.

Dr John Pugh (Southport) (LD): Earlier, I was listening carefully to the hon. Member for Halton (Derek Twigg), who suggested that a school could not henceforth get capital funding unless it was prepared to be an academy. Under the last Government, it was known that if the local authority was not interested in having an academy, there would not be much in the way of BSF funding. The issues have always been connected, by both parties.

Mr Hancock: My hon. Friend is absolutely correct. It is strange how things can change and memories can lapse in a short time. I am disappointed that Labour Members have not been more forthright in apologising. The hon. Member for Halton (Derek Twigg) suggested that we were laughing at what he was saying, but that could not have been further from the truth. Certainly nobody on these Benches was laughing; we were nearly in tears over what was happening.

Derek Twigg: It was the Member sitting behind the hon. Gentleman who was laughing, but he has now left the Chamber.

Mr Hancock: If any Member laughed, I would be angry. I feel that in the past 13 years we have wasted opportunity after opportunity. Like the hon. Gentleman, I was full of enthusiasm when we heard the words "Education, education, education" coming from No. 10 —not once, but umpteen times. What did that really mean? Why did it all go so manifestly wrong? Why were schools in my constituency that were desperately in need of help not given it? Why did the city council go cap in hand to Ministers on three occasions begging for the resources to build a new King Richard school—not in my constituency but in that of the then Labour Minister? It was not given the resources that the school desperately needed.

I am sad that this debate is intertwined with the awfulness over what has happened to our schools as regards Building Schools for the Future. I agree with the hon. Member for North West Durham (Pat Glass) and others who have spoken that this is not just about the quality of education. Schools provide a cocktail for children. As well as a good education, they provide a safe haven and a structure and buildings which give a community a sense of being. That is particularly true of large comprehensives. I have comprehensives in my city with close to 2,000 children in some of the most densely populated areas of Europe, let alone Great Britain. A school is seen very much as a focal point and an important aspect of community life, and it is very sad not to have the resources to rekindle its ability to serve several more generations.

The amendment is correct because it does more than probe. It spells out the inadequacies of the Bill, which does not talk about failure, but about taking resources from other areas. It presents a threat. If the idea of free schools gets off the ground, then fine—if that is what people want, let people choose to have it. I do not support it, and I cannot believe I ever will. However, I do not want to see resources taken from the schools I represent, which are desperately in need of new buildings and more equipment. I do not want those kids or those parents to be persuaded to go to a school that will not have science labs or outside space, and will not allow children to develop to their full potential. There is nothing in the Bill that says a free school will have to ensure that every child who goes there will have every opportunity to fulfil their potential in whatever direction they want to go in educational terms. That is a fundamental failure of the Bill.

I admire the Secretary of State enormously for his gung-ho approach to things. It was long overdue that we had Ministers who were prepared to fight their corner in the way that he does. Even when he is wrong, he comes out fighting. He is prepared to take a few blows, but he also likes to deliver a couple back. His deputy Minister, the hon. Member for Bognor Regis and Littlehampton (Mr Gibb), has done an excellent job on this Bill, despite the fact that he must understand, like many of us, that the extreme frustrations felt in this House are mirrored a million times over around the country. There is a lot of uncertainty in the education family, whether teachers, governors or whoever, about where the proposals will lead. In many ways, it is a mistake. That is why I will be supporting the amendment, which I commend to the whole Committee.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I strongly echo the closing remarks of the hon. Member for Portsmouth South (Mr Hancock), and I welcome the amendment.

The Government's announcements on Building Schools for the Future and the progress of this Bill, which have happened roughly at the same time, are very much related to each other. As my hon. Friend the Member for North West Durham (Pat Glass) said, Building Schools for the Future was not just about new buildings—it was about school improvement and educational transformation. I understand that that is the Government's thinking on the Bill.

These developments are having significant impacts in schools in communities up and down the country. On Second Reading, I mentioned three examples of schools in my constituency in Liverpool. De La Salle Catholic boys' school in Croxteth, an outstanding school that was due to become an academy under the Building Schools for the Future programme, now does not know whether it is going to get the extra investment, which it desperately needs. Another school, St John Bosco, also in Croxteth, and also an outstanding school that was due to be rebuilt under Building Schools for the Future, also needs that investment. Last weekend the head teacher asked me, "Should we now apply for academy status?" That is not because those at the school have a new plan in addition to their previous plans on educational transformation, but simply because they think that might be the way to secure the extra investment that they were going to get under Building Schools for the Future.

Dan Rogerson: Does the hon. Gentleman not feel that there were people who thought exactly the same when the previous Government were in office? There

were conversations such as that. I know that the current Government will be listening closely to what he says, and I am sure they will want to underline the fact that there will be a wider capital programme but, as other Members have said, what the hon. Gentleman describes was surely sometimes the perception under the last Government.

Stephen Twigg: The difference on this occasion is that the schools affected have worked for years on a programme for their own improvement, and they came together in Building Schools for the Future. Now that has all been stopped, except for schools that will potentially have academy status. The problem is the uncertainty. I want schools to make the decisions that are best for them. The head of De La Salle wants his school to be an academy and sees the educational advantages, whereas the head teacher and chair of governors of Holly Lodge, another school that was due to be rebuilt under Building Schools for the Future, have decided that they do not want that for their school. I do not want schools to make such decisions simply on the basis of whether the extra money is available.

I wish briefly to make a point about where we go from here. Although there is a real sense of loss and devastation in Liverpool that we are not getting Building Schools for the Future funding, there is also a hard-headed pragmatism. We recognise that there will be a new show in town, and we are starting to consider what the alternatives might be for securing the much-needed capital funding for the city.

Mr Graham Stuart (Beverley and Holderness) (Con): Is it the hon. Gentleman's understanding that Building Schools for the Future would have carried on precisely as originally envisaged had Labour been in power, and that the 50% reduction in capital spending that the last Government had pencilled in, in broad terms and with no details given, would not have had an impact on it?

Stephen Twigg: That is absolutely my understanding, and the figures that the Department for Children, Schools and Families gave under the previous Government were those signed off by the Treasury.

Dr Pugh *rose—*

Stephen Twigg: I am being tempted to take a lot of interventions, but I understand that Members of all parties may want an early vote because they need to be somewhere else a little later this afternoon. I will give way to the hon. Gentleman, but this will be the final intervention that I take.

Dr Pugh: The hon. Gentleman is not naturally credulous, but did he not see what happened to Building Colleges for the Future under the last Government? Why does he think anything different would have happened with Building Schools for the Future?

Stephen Twigg: The hon. Gentleman ought to see that the answer to his question has been given in the debate. The Government are already indicating that there will be extra money for free schools. They could have said, "We don't think Building Schools for the Future can be afforded, so we're going to do this in a different way over a longer period." They could have gone ahead in the form that we had proposed, but spread over a longer time. That would have meant that the type of work that we had done in Liverpool, and that had been done in Durham and elsewhere, would not have been wasted, and we could have moved forward on that basis.

I was making a point about where we can go next. It would be useful if the Minister could inform the Committee of what the key factors will be when the capital review team considers the criteria for schools such as Holly Lodge, St John Bosco and De La Salle in my constituency. Will it be to the advantage of a school if it is willing to seek academy status? Will deprivation be a factor in whether a school is given priority, and will educational improvement be a significant factor, as it was under BSF? Will the Government consider links to the wider economic policy in a region? If Liverpool is to get the private sector growth that is crucial to our economic future, we need investment in our education. Will the capital review team consider that factor?

I urge the Committee to support this sensible amendment, which would enable local voices to be heard as important decisions are taken about the spending of large amounts of public money.

Mr Gibb: The amendment would require the Secretary of State to consult local parents and children, local authorities and others before making payments in respect of capital funding for any additional free school.

We have been clear that we want to improve choice in education. A free school proposal will be required to demonstrate parental demand and support, and where there is such demand for a free school in an area, we will not turn down a proposal simply to protect other local schools. However, I reassure hon. Members who are concerned that money from BSF will be used to fund free schools that that is not the case. We have reallocated £50 million from the harnessing technology fund to restart the standards and diversity fund established by the previous Government in 2008 to promote new schools. That fund will provide capital funding for free schools until the end of next March. Any free school projects that require up-front capital outlay will have to demonstrate a compelling and strong value-for-money case to support the investment and provide evidence of genuine parental demand.

2.45 pm

Let me deal briefly with some of the issues that the hon. Member for Gedling (Vernon Coaker) raised. He asked how many expressions of interest had been shown in new free schools. We have not announced figures for free school applications or expressions of interest, although the New Schools Network has done so, but we have made it clear that all proposals for free schools will be published on our website.

The hon. Gentleman asked about the terms of reference for the capital review, which are there for all to see on the departmental website. I shall read briefly the review's opening purpose. It is:

"To review... the department's existing capital expenditure and make recommendations on the future delivery models for capital investment for 2011-12 onwards.

The overall aim of the review is to ensure that future capital investment represents good value for money and strongly supports the Government's ambitions to reduce the deficit, raise standards and tackle disadvantage."

The hon. Gentleman cited two of the five bullet points. The other three are:

"To evaluate the extent to which value for money has been achieved in capital expenditure to date... To review current methods of allocating capital (for example, by formula to local authorities)... To consider options for reflecting Government policies on carbon reduction".

As the hon. Gentleman said, the other two are to bring in new providers and to establish new schools.

The hon. Gentleman asked about new capacity. When local authorities need to expand primary schools to accommodate demographic changes, the capital will, of course, be funded in the normal way for such basic need. He asked about the criticism of the shadow Secretary of State's stewardship of the Department's finances. We have had to deal with unrealistic and unfunded spending commitments for 2010-11, for which funding relied on under-spends through the end-year flexibility system.

The hon. Gentleman asked about playing fields. We are committed to competitive sports and our new free schools will have to show that they can provide a broad and balanced curriculum and that pupils will have access to playing fields and appropriate facilities. He asked about academies' capital funding. Funding that has been itemised is currently being discussed with sponsors, and the results will be announced before the recess.

My hon. Friend the Member for Portsmouth South (Mr Hancock) asked what would happen if a free school failed. We would look to support a school to try to prevent its failure. The model funding agreement has intervention powers, which would allow the Secretary of State to appoint a majority of governors to the governing body of the academy. They would look to turn around the school or terminate the funding agreement and enter into a new one.

My hon. Friend the Member for Bradford East (Mr Ward) asked about the priorities for capital spending. That is exactly what the capital review is designed to investigate. My hon. Friend the Member for North Cornwall (Dan Rogerson) asked about school funding. We have been clear about the principle that academies are funded at a level that is broadly comparable to that of maintained schools in the local authority area, taking account of their additional responsibilities. We will review the future funding of academies later this year, in consultation with partners, to ensure that local authorities and academies are properly funded for their respective responsibilities. Of course, capital will be the subject of the review, the terms of reference of which I have just read out.

I remind the hon. Member for Gedling that clauses 9 and 10 deal with consultation and the impact of the proposals on neighbouring schools. With those few words, I ask the hon. Gentleman to withdraw the amendment.

Vernon Coaker: I will be very brief, because I know that other things are taking place this afternoon. I will press amendment 70 to a Division to test the Committee's opinion, and I thank those who have contributed to the debate on it, including my hon. Friends the Member for Halton (Derek Twigg), for Gateshead (Ian Mearns), and for Liverpool, West Derby (Stephen Twigg). The Minister will know that it is not just my hon. Friends and I who believe in the necessity for more local consultation on the Department's capital spending priorities, because we also heard the concerns of the hon. Members for Bradford East (Mr Ward) and for Portsmouth South (Mr Hancock) about the Government's proposals.

Amendment 70 seeks only to allow local people to determine their priorities for the spending of capital moneys. As I said, the new politics and the new Government were supposed to be about localism, but at one of the very first hurdles they have come to, they are clearly failing that test.

Question put, That the amendment be made.

The Committee divided: Ayes 185, Noes 302.

Division No. 44] **[2.49 pm**

AYES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bain, Mr William
Balls, rh Ed
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blenkinsop, Tom
Blomfield, Paul
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Burden, Richard
Cairns, David
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creasy, Stella
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Fitzpatrick, Jim
Flello, Robert
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Hepburn, Mr Stephen
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kaufman, rh Sir Gerald
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris

Love, Mr Andrew
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Owen, Albert
Pearce, Teresa
Perkins, Toby
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Stringer, Graham
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Whitehead, Dr Alan
Wicks, rh Malcolm
Wilson, Phil
Winterton, rh Ms Rosie
Woodcock, John
Woodward, rh Mr Shaun
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Mr Dave Watts and Lyn Brown

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davies, Philip
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Featherstone, Lynne
Field, Mr Mark
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Greening, Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, Simon
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
Maynard, Paul
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David

Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, Mr James
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Norman Lamb and
Mr Robert Goodwill

Question accordingly negatived.

Ann McKechin (Glasgow North) (Lab): On a point of order, Mr Caton. I would like to raise a question that I have raised already with the hon. Member for Broxbourne (Mr Walker) and the Speaker's Committee for the Independent Parliamentary Standards Authority. The issue concerns the London living allowance and the fact that it would appear to be impossible to backdate any claim from the date of election to the date when a Member can first log on to the system. I am still awaiting a response from IPSA and seek your guidance, Mr Caton.

The Temporary Chair (Martin Caton): That is not a point of order, and the Committee needs to proceed. However, the hon. Lady might like to raise it with the Speaker.

Mr Charles Walker (Broxbourne) (Con): Further to that point of order, Mr Caton.

The Temporary Chair: I have just ruled that it is not a point of order.

Mr Walker: My name was mentioned in the Chamber, Mr Caton. I would like to apologise to the hon. Lady and the House for the misinformation that I provided in that answer. I am trying to get at the right information, but that is no excuse for my behaviour in providing the wrong information. I apologise to you, as the Chair, and the House for what I believe is misleading the House.

The Temporary Chair: That was very helpful, but I really would like to get on with the Academies Bill.

David T. C. Davies (Monmouth) (Con): On a point of order, Mr Caton. It was impossible for myself and a number of other people to make the very important Division just now, because of the large numbers of people coming out and pushing against us as we entered from the Portcullis House end, and because of a number of Members who, unfortunately, instead of vacating quickly, decided to hang around talking, preventing people from getting in. As a result, a number of people just missed a very important vote. I would like to put on the record my concern at the eight-minute time limit and the fact that people are not getting out of the way quickly enough to allow Members from Portcullis House to vote.

The Temporary Chair: The hon. Gentleman has made his point very well, and I hope that hon. Members recognise that they need to show courtesy during a vote.

Mr Richard Bacon (South Norfolk) (Con): Further to an earlier point of order, Mr Caton. My hon. Friend the Member for Broxbourne (Mr Walker) has rightly apologised for having misled the House. However, if he is to be able to do his job, he must have the necessary information from IPSA, for which he must answer in the House. If there is a delay in providing him with the accurate information, he and the House are put in an impossible position.

The Temporary Chair: Things have now been clarified, and I would like to move on to amendment 71.

Vernon Coaker: I beg to move amendment 71, page 3, line 7, at end add—

'(7) Before making any payments under an Academy agreement the Secretary of State shall make an assessment of the extent of centrally-provided SEN provisions that, were the school to operate as a maintained school—

(a) would be required by a school with the likely pupil profile of the proposed additional school, or

(b) is currently called upon by the maintained school which is converting to Academy status.

(8) Before making any payments under an Academy agreement the Secretary of State shall make an assessment of the likely disruption to centrally-provided SEN services that might result from equivalent reductions in local authority budgets.

(9) Payments made under an Academy agreement must reflect the assessment made according to subsections (7) and (8).'.

We come to another important amendment. However, before I start, I should like to welcome the hon. Member for South Holland and The Deepings (Mr Hayes) to his new post. He has just been allocated a ministerial post in the Department for Education, as the Minister for Further Education, Skills and Lifelong Learning. I congratulate him on that appointment, which I gather will involve shared ministerial responsibilities with the Department for Business, Innovation and Skills. I very much welcome his appointment to that position, and I know that he will work with diligence and determination. He and I have known each other for a long time. We go back over a number of years, in our various roles in Nottinghamshire, so I sincerely hope that he does well. I wish him the best and wish him good luck with things over the next few months, years or whatever it turns out to be. *[Interruption.]* Well, maybe not decades—I certainly will not be here if it is, but that is another story.

I have tried to be conciliatory and reasonable in the debates on amendments that we have had so far in this Committee stage on the Floor of the House. The debate, on a whole series of issues, has so far been of a high standard, with contributions by Members from all parts of the House, as is appropriate for the Committee stage, which in many respects is different from the full debates that we often have on motions. The Committee stage is about trying to ascertain what the real meanings of clauses are and what the consequences of different parts of the Bill will be, and to see whether we can adapt, change and improve the legislation, or at least the guidance that goes alongside it.

Nowhere is that more important than in special educational needs. I do not doubt for one minute that Members from all parts of the Committee will have at the front of their minds how we can ensure that the provision that we make for special educational needs—particularly through the changed arrangements, with the academy model proposed in the Bill—protects those with special educational needs. Again to be reasonable, we also know that the Government made some amendments in the House of Lords that significantly improved the Bill. If I might say so, those changes—made as a consequence of the debate and discussion in the other place—have made a significant difference to the Bill, a point that is also worth putting on record.

The point of amendment 71 is to try to understand in more detail the consequences for special educational needs provision of the changed arrangements for schools, with more schools opting out, becoming academies—or free schools—and being independent of local authorities. We want to know what that will mean for the provision of services for those young people who we would all want to ensure received the quality of education and support that we would want them to receive.

There is no doubt—I am sure that this would be true whatever the challenges that existed—that we can all point to the quite exceptional services provided by local authorities to support young people with special educational needs, either in school or through their families. Often, the important thing is not just the support that the child receives in the school, but the support that the family receive to support their child in that school. Clearly, the local authority's role in that is crucial. I am sure that we can point to many excellent examples, but I know that we could all identify instances where things have not worked out so well, and where a local authority has not provided the standard of service that we would want. Overall, however, the role of the local authority in co-ordinating support is extremely important.

Robert Flello (Stoke-on-Trent South) (Lab): Does my hon. Friend accept that there are far too many young people across the country who still have not even gone through the assessment process with their local authority and been identified as having special educational needs?

Vernon Coaker: That is a very good point. I mentioned yesterday that this is not simply a question of young people being assessed by a local authority and not receiving a statement, even though most people think that they should have received one. I have no professional expertise in that area, however.

To be fair to the Government, the inclusion in clause 2 of proposed new subsection 8A, which deals with low incidence special needs, is important and significant. We are talking not only about the young people who everyone would expect to have statements for their special needs, and for the first time the Government have put into the legislation the term

"low incidence special educational needs or disabilities".

That represents a significant improvement to the Bill. I know from my own experience that young people with low incidence special needs often do not receive the support that they deserve, and neither do their families. They often do not receive the kind of educational or social support that they need.

Charlotte Leslie (Bristol North West) (Con): Will the hon. Gentleman give way?

Vernon Coaker: I will in a moment.

Proposed new subsection 8A is very well intentioned, but clause 2(6) also states that the Secretary of State may intervene when

"a local authority fails to secure satisfactory provision for pupils with low incidence special educational needs or disabilities".

What does that actually mean? It is all very well to put that proposal into the Bill, but how will it be funded, organised and co-ordinated? How are we going to decide in a meaningful way what

"low incidence special educational needs or disabilities"

means? This is a huge problem. I am not criticising the Government; I think the inclusion of those words is very good. I would rather have the problem of trying to identify what they mean than not have them in the Bill, which would risk people not having those needs met.

The inclusion of the provision raises the serious question of how it is to be funded. Where will the funding come from? How much is it expected to be? Who will co-ordinate the arrangements if, instead of the local authority, we have lots of independent academies, special schools and free schools? How is this part of the Bill going to be achieved?

Charlotte Leslie: The hon. Gentleman has partly anticipated my question. Does he agree that our looking at how to cater for low incidence special needs in the Bill is symptomatic of the much wider question of how to deal with programmes such as School Action and School Action Plus? I am sure that they represented a well intentioned move away from statementing and the closure of special schools, but their results were questionable. Does he agree that this wider problem needs to be addressed, and that the Bill provides a spectrum through which to look at it?

3.15 pm

Vernon Coaker: We discussed special schools and the number of special school places yesterday, but let me say this. I approve of the policy objective—which has been shared across the House for a number of years—that, when appropriate and given the proper safeguards in regard to such matters as parental choice, we should include as many young people as possible in mainstream education. It is clear that, if that objective is implemented, the number of special school places will fall. A more difficult question is whether we are all certain that, in every single case, a young person has been placed in mainstream education rather than being given the opportunity of going to a special school, and I think that the answer to that is probably no.

The hon. Lady is right to suggest that this raises questions about special schools and about inclusion. I think that the policy of inclusion is right, but that does not mean we should not ensure that the process by which it is decided where a child should be educated is a matter for discussion and agreement, involving the child's parents, rather than diktat.

The Minister of State, Department for Business, Innovation and Skills (Mr John Hayes): I am grateful to the hon. Gentleman for his warm welcome. As he says, we go back a long way, and as he knows, I have a great deal of respect for him.

We will discuss inclusion when I have a chance to speak at greater length. As I know that, rightly, you will not allow me to do that now, Mr Caton, let me simply say that the statementing process is critical to all this. A statement must be clear about the detail of needs, because the specificity of its analysis bears a direct relationship to the extent to which we can quantify and deal with those needs. Historically the standard has not been good enough, but the Government will consider it carefully in the light of what the hon. Gentleman has said.

Vernon Coaker: That is a fair comment, like the point made by the hon. Member for Bristol North West (Charlotte Leslie) about the number of special schools, special school places and statements in process. All that needs to be kept under review.

The Minister should bear in mind—he may wish to discuss this when he winds up the debate—that new paragraph 8A and subparagraph (6) do not necessarily concern young people for whom a statement would be thought appropriate. They concern young people with low incidence special educational needs, which can involve a multiplicity of conditions and which will, I think, prove difficult to define. Certainly the criteria to be employed in the making of a judgment will be a matter for considerable debate. However, as I have said, I would rather have a debate about the meaning of the subsection than see it excluded from the Bill. It constitutes a good and brave step forward. However, as my amendment makes clear, it also raises questions about local authority co-ordination and funding.

Mr Hayes: I understand the point that the hon. Gentleman is making. My own points are, first, that that should not be used as an excuse for not statementing children who would benefit from a statement for the reasons that I gave earlier, and secondly, that we should be as determined to help children with low incidence special educational needs as we are to help those facing more profound challenges. As the hon. Gentleman suggests, we need to be clear about the mechanisms that will be required, but I do not consider that to be incompatible with any of the provisions in the Bill.

Vernon Coaker: I do not disagree with the Minister, but I think we would all agree that statementing has not always taken place when it should have. It is always necessary to examine the process and see how it can be improved. Ultimately, irrespective of the severity of a child's need, we must ensure that that need is met. For some that will require through statements, for some it will require special school education, and for some it will require inclusion in mainstream schools. The inclusion in mainstream education of as many young people as appropriate—which was supported by the last Government and the last Conservative Government and, I believe, by the present Government—is absolutely right, as long as it does not cause us to conclude that it must take place irrespective of the wishes of parents or the needs of the young people themselves.

Mr Mike Hancock: I am grateful to the hon. Gentleman for giving way yet again. I entirely agree about the fallacy that will be perpetuated if the Bill leaves the House without a clear definition of low incidence special educational needs. The lack of clarity has been used as an excuse all along, which is why so many children have not received proper assessments or statements. It has been too easy to find a way around the wording, because it has been so vague. If the Bill leaves the House without a refinement of that definition, the lack of clarity will once more be used as an excuse, and those who are on the edge or the cusp of special educational needs will once more be left adrift. That will be the case not only during the first stage of their education, but throughout their educational career. I am with the hon. Gentleman 100 per cent. in trying to get clarification, but does he agree that it would be wrong for the Bill to leave the House without such clarification being written into it?

Vernon Coaker: I very much agree and it is important, given that the Government will not amend the Bill, for the Minister to read into the record the criterion that will be used to assess whether a young person has low incidence special needs. I say this as someone who thinks that it is very brave of the Government to propose the measure. But as the hon. Member for Portsmouth South (Mr Hancock) said, if there is no defining criterion, we will have a well-intentioned measure, but what will it mean? That is extremely important.

There was a big discussion in the House of Lords and the measure was included in the Bill. A large number of Lords spoke about it and said that it was important.

The Government accepted that but the situation has moved on. The hon. Member for Portsmouth South is right; for a local authority or school to be obliged to support a young person with low incidence special needs, do they need a statement? If not, there is no legal obligation—I am not an expert on these laws—on the school or authority to provide anything for that child. Yet everybody, including the Government—they have included it in the clause—thinks that there are young people with low incidence special needs who need additional support that they are not getting through the system.

This is a real problem for the Government to address; it is crucial. I am not trying to be smart or trying to attack; I am just saying that if we want to improve the Bill and we want to make a difference to those with low incidence special needs, as the hon. Member for Portsmouth South said, we have to try to define that, at the very least by the Minister reading it into the record.

Bill Esterson (Sefton Central) (Lab): I wanted to add to the points about low incidence special needs, as there are other reasons why it is important to spell out the protection of services provided centrally. In those councils where the cancellation of centrally provided services has taken place on the assumption that schools would buy services back in, there has been a failure to take up that buy-back option, which affects SEN in particular but also other services. That is an important reason why we need that protection to be in the Bill. If not, as my hon. Friend says, Ministers need to take the matter on board so that there is robust protection for centrally provided services. Otherwise, those services will disappear.

Vernon Coaker: I agree with my hon. Friend who re-emphasises my point. This is part of the tension within the Bill; independence is to be given to schools. Some may agree with that; we have difficulties with the haste with which it is being done. But what mechanism is there to ensure that local authorities provide for these young people in a way that gives them the support they need?

Mr Hayes: Following the Education Act 1993, we have had codes of practice for SEN whose provisions are important in ensuring good practice. In the halcyon days when I was shadow Schools Minister, I was able to debate those codes of practice and the Government listened to some of the Opposition's arguments. That is one important aspect of protecting SEN students and their parents. But also if the Secretary of State were unhappy with the provision, he retains the powers to intervene.

Vernon Coaker: That is true, and it is stated in the Bill that where a local authority fails to secure satisfactory provision the Secretary of State may intervene and make "alternative arrangements". The problem is what does "low incidence special educational needs or disabilities" mean? How will a local authority or a school—an academy or special school—know whether they are meeting the expectations of the Secretary of State without a definition of what that actually is? Without that, the response will just be subjective, with people saying, "That isn't very good" or "That isn't working," which is clearly unacceptable.

The Minister might not be able to do this today, but it is extremely important that at some point—even late on Monday—something is read into the record that defines what that term means. Other Members may disagree, but it is my view that for that to be done otherwise through guidance or a letter will not be sufficient. The force of Parliament needs to be behind some definition and criteria for the term, over and above its mere mention in the Bill and, even with the best intentions, something in a code of practice. I cannot say how important that is to making this bit of the Bill work.

Robert Flello: What I say will to some extent reiterate the point made by my hon. Friend the Member for Sefton Central (Bill Esterson). For a host of reasons, not the least of them financial, local authorities will already decide how well to staff the team who go out and make the assessments, and if there is any wriggle room whatever they will wriggle: they will avoid putting resources into that team or department. It is therefore crucial for the future of some of the most vulnerable children in this country that we get something on the record today so that local authorities—of whatever colour—cannot wriggle out of their responsibilities.

Vernon Coaker: That is right, and my hon. Friend's comments highlight that we are not trying to make a party political point. We want to ensure that that is the case for local authorities of all political colours and types; that is fundamental and crucial. As I have said, however, I accept that it may not be possible to do this today, as the lawyers will, no doubt, need to check it.

Mr Graham Stuart: I think that I share some of the shadow Minister's concerns. Low incidence is not about the acuteness of the need; it is about the fact that it is pretty rare. One of the risks of having funds devolved to the individual academies is that they may see this rare condition only once every five years, when suddenly a pupil turns up out of the blue with that need. That is why there is an issue about the difference between where the resource lies and who has the incentive to deliver the service. We need reassurance as to how we will have the system and incentives in place to ensure that, without the Secretary of State having to intervene at a local authority level to assess the whole authority's failing, the needs of the parents and child concerned are met and there is not a big fuss in doing that.

Vernon Coaker: I totally agree, and the hon. Gentleman makes his point very well. However, I am unclear about the legislative mechanism that we will use to try to stop bad situations arising. I cannot be sure what it will be without there being something either in the Bill or, perhaps, in statutory guidance.

Mr Hayes: Such is the silky charm of the hon. Gentleman and the persuasiveness of his argument that even in these few minutes he has already extracted the following from me. He is right that that needs to be set out clearly on the record. He is absolutely right about the code of practice in respect of SEN reflecting the fact that we now have reference to low incidence special needs in the Bill, as he has acknowledged, and about the funding agreement that was put in place for an academy reflecting not only the obligations in the Education Act 1996 but that code of practice. I make that commitment today,

[Mr Hayes]

and he can claim that in this useful debate he has encouraged me to that end—although it may be an end that would have been reached in any case in my discussions with my fellow Minister, my hon. Friend the Member for Bognor Regis and Littlehampton (Mr Gibb), who, of course, takes the lead in these matters. However, I would not want in any way to understate the hon. Gentleman's contribution to that process.

Vernon Coaker: I thank the Minister for that. Perhaps he could clarify in his winding up exactly what he meant. *[Interruption.]* I am sorry; I am not trying to be rude. Is he saying that an existing code of practice is to be amended? If he is saying that, I gently say, again, that that illustrates one of the problems with the Bill, because most of us would like to see what amendment he is proposing to the code of practice.

There is a huge debate—the Chair of the Select Committee mentioned this—about what the term means. Does it mean a rare condition? This debate is not only about low incidence SEN, because the Bill also refers to low incidence disabilities. All I am saying is that this is a difficult area.

3.30 pm

Mr Hayes: I complimented the hon. Gentleman—it was not flattery—but I do not want him to get too insistent as a result. I will, however, give him the assurance that I will deal with this matter when I sum up and that we are absolutely clear that the code of practice is salient. I do not want to tease him too much, but he will know that when he was the Minister, and when his predecessors were Ministers, the codes of practice were always published separately and debated in this House separately—indeed he and I have both participated in such debates. Of course I will speak about this again when I sum up.

Vernon Coaker: I thank the Minister for that. We will all wait to see what is said in the wind-up, because we are all motivated by a desire to see how we can make a brave amendment in the Lords a reality. We must not create something that is extremely difficult for ourselves. For too long, many of us, from across the country, have seen special educational needs not met, including those of people with profound difficulties. If we are making provision in respect of low incidence needs, we need to address how we ensure that we meet them.

Mr Edward Timpson (Crewe and Nantwich) (Con): We seem to be having an outbreak of cordial co-operation in the Committee. Paragraph 8A is an improvement on where we were at the beginning of the Bill's proceedings, and it deals with low incidence SEN and disabilities. Has the hon. Gentleman considered whether it ought also to include looked-after children, to ensure that the provision of services for them in any academy means that they are getting the expenditure and support that they need?

Vernon Coaker: That is an extremely interesting and good point. As I say, the problem is that there are a number of points like that. That one would be worth testing with an amendment to see where it is catered for in the Bill or, if the Bill does not cater for it, where it is catered for in any document relating to the Bill. For example, I think I am right in saying that the new model funding agreement does not contain a requirement for there to be a teacher responsible for children in care, whereas the old funding agreement did contain one. If I have got that wrong, I will correct it. All sorts of little changes sometimes take place in the documents, letters and guidance that go along with such Bills. The changes are sometimes not debated to the extent that they need to be and they then turn out to be crucial. Even Ministers get to the point where they try to do something and are then told, "You can't do that because section (c) on page 48 of the guidance that you passed says you cannot." They find that a little change that they had not properly noticed, which may have been implemented with good intent, has unintended consequences.

The hon. Member for Crewe and Nantwich (Mr Timpson) was right to make the point that he did. One of the organisations that I shall refer to in a minute has made representations to us about how we ensure that the needs of children in care and of children with other associated needs are met within the new academy model arrangements that the Bill proposes. All sorts of questions like this arise, particularly if we strip out, as the Bill does in essence, the role of the local authority and devolve the funding to individual school. One unanswered question goes to the heart of the Bill: what is the co-ordinating mechanism at a local level to try to ensure that some of these things happen? That is not in place, and that is a real problem.

Mr Graham Stuart: On a slightly different track, is the shadow Minister aware of evidence that, despite the vast increase in the number of learning support assistants, the more time children with special educational needs spend with learning support assistants and the less time they spend with a teacher, the worse is their learning experience? One of the dangers of a centrally co-ordinated system is that schools that challenge a child's being taken off for special support might deprive that child of being in the classroom with the teacher and, perhaps, having a better opportunity to learn. We must get the balance right between ensuring provision and not having a monolithic delivery that stops innovation, particularly for the most vulnerable in our society who are too often failed.

Vernon Coaker: I do not disagree with that. Again, the freedom for a school to determine the appropriate mix between teachers, teaching assistants and other staff as well as the appropriate delivery method is a matter for the school. The Chair of the Select Committee is right to say that. However, it does not negate the fact—I think he was making this point, too—that alongside that there is a need for some sort of co-ordinating mechanism. He is quite right that there is a need for balance and there will be debate and discussion about where that balance should be and where the line should be drawn. However, part of the problem is that, as I said yesterday, this is a bit of a leap in the dark. We are almost being asked to take a leap in the dark and being told, "Don't worry, it will be okay." There are some fundamental questions that Ministers have been unable to answer, even though they have the best of intentions, because the Bill is permissive and just says, "Well, we'll allow this to happen but we are not quite sure where it will go."

A number of concerns were raised by different organisations. We have heard concerns from the Adolescent and Children's Trust about children in care and about how these services will be met. It is seeking assurances about looked-after children and young people in academies, and it says that it wants recognition from the Government that there is a need for a local agency to assess need and to plan and cost education support services and that necessary resources must be not only identified but ring-fenced.

The Association of Educational Psychologists has also written to us, extremely concerned about some of the changes to local education funding and about how we can ensure the protection of educational psychologists if all the money goes to the schools. The National Autistic Society has made many of the same points about protecting young people in schools. TreeHouse, another charity for autism, is concerned about what it will mean if funds and resources are devolved to individual schools.

Then we come to funding. The Local Government Association states in its briefing, which all Members will have received, that

"90% of funding for schools goes, via the local authority, directly to schools with the remainder allocated back to schools following consultation with schools through the local Schools Forum...Around 20% of this 'central spending' goes to private, voluntary or independent nurseries, and the majority of the rest (60%) is used to provide services for pupils with special educational needs, and those who are excluded from mainstream education...In the debate around the advantages to schools of seeking academy status much has been made of the advantage to schools of retaining this 10% of 'central spending'. However, it is important to understand that this is funding to meet the need of the pupils with the greatest needs. It is crucial that this funding is distributed in a way that does not unfairly benefit academies over maintained schools."

I do not know whether hon. Members have had a chance to look at the Government's impact assessment, but tucked away, where it states that local authorities will face a reduction in the moneys that they receive for the provision of such services as it will be distributed to schools, it states the assumption that the savings to local authorities in administration costs will be negligible. So, although they will have fewer resources to provide for special educational needs in an area, they will not make any savings from an administrative point of view either.

It is also totally unclear exactly how all this will be worked out. What will a school that chooses to become an academy receive? I know there is a ready reckoner on the Department's website, but will the Minister explain how it works? *[Interruption.]* That was not done yesterday: we asked, but there was no time to do it, so I am asking again today because I think we would all like to know how the ready reckoner works so that schools can understand what they will receive.

What proportion of the money that those schools receive would have gone to local authorities to provide, centrally, services for children with special educational needs? What proportion of the additional money they receive will go to schools and will not be retained centrally by local authorities? How will that be worked out given that every school that is fast-tracked to academy status is outstanding and has, as the Centre for Economic Performance has said, lower numbers of pupils with SEN?

How will schools that have a lower incidence of SEN and that apply to become academies be funded? Will it be on a per pupil basis or a needs basis? If schools are funded on a per pupil basis rather than on a needs basis, big schools with a low incidence of SEN that convert to academies will receive exceptionally high amounts of money that would previously have been retained centrally to provide SEN services to the pupils and children across the local education area who needed them. Why did *The Times* publish an article on 12 June saying that there was considerable confusion among local authorities and schools about how much money schools would receive? Why are some local authorities saying that when they add together all the amounts that the ready reckoner comes up with as being distributed to schools on the basis of centrally provided services the total is sometimes more than they receive? We need some explanation from the Minister about that.

Elizabeth Truss (South West Norfolk) (Con): Are not the SEN requirements on the new academies more stringent than those for the academies that were opened under the previous Government?

Vernon Coaker: The hon. Lady will know that I praised the Government at the beginning of my speech for making some amendments in the House of Lords. The amendment that applied measures in the Education Act 1996 to academies was a good one, as were the amendments that introduced paragraph 8A and subsection (6). I shall not argue with her about that.

Elizabeth Truss: Is not the hon. Gentleman essentially saying that the previous arrangements worked for the existing academies and that the new arrangements are even better?

Vernon Coaker: I am saying that the existing state of play is not good enough and that the amendment that was made in the House of Lords to apply the 1996 Act to academies was a good one. We are debating the further changes that the Bill will make to delegate funding straight to schools rather than via local authorities—money that would have been retained centrally to provide services. Government Members—not only Front Benchers, but Members such as the hon. Lady—need to explain how SEN services that are currently provided centrally will be protected if all that money is delegated out to schools. How will that work? The point of this Committee is to understand the Government's thinking about how that will happen.

Robert Flello *rose—*

Vernon Coaker: Before I give way, let me say what we did yesterday, very successfully. I gave way a lot, and nobody complained at the end that we did not get anywhere, so I will keep giving way, if it means that nobody complains.

3.45 pm

Robert Flello: I am most grateful to my hon. Friend, who is extremely generous in allowing interventions. My apologies for labouring the point, but I think that it is crucial. My view is that we have not made enough central provision for special educational needs services. My fear is that the measures, instead of going further and strengthening the central provision of SEN services, will water it down.

Vernon Coaker: I agree with that, and it goes to the heart of the debate. To be fair, that is the point that the Chair of the Education Committee made about where we draw the line. Where do we draw the line between a school innovating, and a school having the ability to use its budget to provide for children with SEN?

I know that this is not being suggested, but we would not want the Secretary of State to make thousands of individual decisions about the right mix of teachers and teaching assistants, the curriculum, and so on; that would be a matter for the individual school. However, my hon. Friend is quite right: alongside that consideration, where do we draw the line to ensure that there is money for the central provision of services—local authority provision—so that we can ensure that the support that is sometimes needed is available? That is a difficult balance. The point of this Committee is to try to test the Government's thinking on where they draw the line, and on what the funding amounts are. At the moment, we have a ready reckoner, but nowhere in the impact assessment, or anywhere, do the Government lay out exactly what they think the cost will be.

Mr Hayes: It is absolutely right that the central provision that the hon. Member for Stoke-on-Trent South (Robert Flello) mentioned will continue, but the hon. Member for Gedling (Vernon Coaker) should not underestimate the capacity of academies to purchase that provision. He will know that that already occurs; I think that it happens in Walsall, for example. The peripatetic services that a school will require can be purchased, and I do not underestimate their calibre and their appeal to academies. I do not think that he does either, does he?

Vernon Coaker: I am not trying to make the point that there are not perfectly reasonable people in academies, or in schools that may become academies, who would be able to purchase services. I do not disagree on that, but it does not answer the questions. Where do we draw the line between what we provide individually for schools, so that they have the freedom to innovate and take forward their provision for SEN, and what should be centrally provided? What is the estimated cost of all that? Is it all funded, particularly given that the Government have now included low incidence special needs and low incidence disabilities? Where is the extra money for that, and how much will it cost? How will it be co-ordinated? What does it actually mean? What are the criteria? How does that relate to the statementing process? The problem for the Government is that that has not been thought through.

Andrew Bridgen (North West Leicestershire) (Con): The shadow Minister seems to be making a strong argument for reintroducing special schools, which is the opposite of the policy of the previous Government.

Vernon Coaker: I am sorry that the hon. Gentleman has taken that tone, because that was not the policy intention of the last Government or the previous Conservative Government. I am sorry to bore people who have sat through Committee proceedings for the past day and a half, because I have said this twice, but the policy objective—he may disagree with this—was not to close special schools. It was to ensure that people had the choice of being included in mainstream schools, if that was appropriate for them. That was the policy of the previous Conservative Government in the '90s, as was absolutely right, and of the Labour Government until 2010, as was also absolutely right. I hope that it will be the policy of this Government.

Of course, that will mean that the number of special school places will sometimes go up, and sometimes go down. As long as that is done on the basis of having determined what is in the interests of the child, it should not matter, because it is the policy objective that is important. I tell the hon. Gentleman this: if there are 10,000 places in special schools—I do not know how many there are—and it was properly, and with parental agreement, felt that 3,000 of those 10,000 places should be in mainstream schools, I would be happy to stand at this Dispatch Box and say, "I support the reduction of special school places from 10,000 to 7,000," but that is on the basis of need and individual choice, not on the basis of ideological diktat.

Gavin Barwell (Croydon Central) (Con): I am grateful to the hon. Gentleman for giving way; he was also generous yesterday. In answer to my hon. Friend the Member for South West Norfolk (Elizabeth Truss), he acknowledged and paid tribute to the fact that the Government have strengthened the law so that academies will have the same SEN obligations as maintained schools. Will he also pay tribute to how the new model funding agreement also strengthens provision? It provides the Secretary of State with the power to direct academies to comply with any SEN obligations that were not in the previous funding agreements.

Vernon Coaker: I tried to make that point at the beginning; otherwise, we would not make any progress. I said that there had been improvements to the Bill and that there would have been improvements in some of the documentation associated with academies. That does not change the fact that, when it comes down to it, the Government are not clear on what the funding arrangements will be, how they will work and the correct balance between centrally provided services and the academies.

As the Chair of the Education Committee asked, where do we draw the line and what is the balance between those issues? The Government have not given us any definition of what they mean by

"low incidence special educational needs or disabilities."

In Committee, we have to tease out those sorts of issues from the Government, to ensure that the legislation that we pass in this Parliament is as robust and effective as it can be.

Mr Ward: May I introduce one other aspect? The discussion is seemingly taking place on the basis that there is an abundant supply of learning support services and professionals. That is simply not the case. In many cases, the authority has to carry out a difficult rationing role. A good example is educational psychologists, of whom there is not an abundant supply. It is worrying that that rationing process, which most local authorities treat in a fair way, may now face a situation in which schools can simply buy in precious resources to the detriment of other schools in the district.

Vernon Coaker: That is right. The issue is not only the quantity of support services for children with special educational needs, but their quality. There is also the

issue of the effectiveness of some interventions. This big area of debate is no doubt outside the scope of what we are discussing at the moment, but the hon. Gentleman is absolutely right about the provision of quality.

Bill Esterson: Whether we are talking about SEN provision, looked-after children, educational psychologists, behavioural support or other issues, what concerns me and many other Members is how we guarantee that the support will be there when it is needed, whether at school or centrally. There is also the matter of whether that can be legislated for or not. The Minister was beginning to drive at that point in his last intervention. That is what I want to hear about and I am sure that other Members are thinking the same thing.

Vernon Coaker: I agree with my hon. Friend; no doubt the Minister will try to pick up that issue in his remarks.

How will special educational needs be monitored? What is the role of the Young People's Learning Agency? How will schools get help? How effective is the YPLA in respect of the quality of local, centrally provided services? What experience and expertise does the agency have? How will we ensure that all these things are effectively fulfilled? How much will it all cost? Who will be responsible for intervening if a school is not offering effective provision? How will the Secretary of State know that something is not being done? Who would make the decision about any of these failures? There is a huge raft of questions that I hope the Minister can begin to address.

Our amendment is simple. It tries to ensure that a decision is made about the effect on the provision of centrally provided services of decisions about what money should go to individual schools. At the heart of that is the need for better information from the Government about where the balance should be. The amendment seeks to clarify the situation by saying that we must retain sufficient resources at a central level within the local authority to provide the necessary level of support and help for children with special educational needs, notwithstanding that the Bill will delegate large sums to them. What will be the impact of that? It is a leap in the dark—we simply do not know. Frankly, the Government have not provided the level of detail that the Committee requires because they have not had time to do so.

Rory Stewart (Penrith and The Border) (Con): A man may not make a maiden speech twice. Due to a misunderstanding in Westminster Hall, I appear to have lost my maidenhood, so I apologise to the House. I would like to speak about amendment 71, but very briefly, with your permission, Mr Caton, I would like first to pay tribute to my predecessor, David Maclean of Penrith and The Border, and then bring my remarks back to this important amendment.

In Westminster Hall, I was unable to recognise the extraordinary service that David Maclean paid to this House over 27 years. I thought that I was stepping into big shoes, but I had no idea how large. I remember climbing up a snowdrift in December last year feeling like Scott of the Antarctic reaching an isolated farmstead to find that David Maclean, like Amundsen, had already been there before me, and repeatedly. As I have moved around over the past few weeks, I have seen the incredible care that he paid to his constituents. Every time I pick up a sheaf of documents, I can see that he has written no fewer than 11 letters of astonishing energy and specificity. During the debate over the past two days, I have often heard the hon. Member for Gedling (Vernon Coaker) ask people to answer the question. On the basis of the letters that I have seen, Mr Maclean answered the question repeatedly, and with vigour and honour. When asked, for example, about windmills, he did not simply say, like an ex-civil servant such as myself, "On the one hand, but then on the other," but instead attacked the technology and the proposal and ensured that people organised as a social committee to oppose it.

Let me conclude on the subject of my predecessor by saying that his greatest moment was during the foot and mouth crisis, when, with his staff, which he and I would call a cromach, in his hand, he moved across our landscape, denuded of livestock, with funeral pyres burning on the border, and defended his constituency—the ancient constituency of the Western March, that ancient mediaeval frontier—like a warden of the Western March.

In relation to amendment 71, I have been charmed by the reasonableness of the hon. Member for Gedling. I entirely agree with him about the importance of special educational needs provision; I have personal reasons to do so. I agree also about some of the dangers that he has mentioned, such as the potential confusion between funding arrangements and the responsibilities defined within the Bill. He and the bodies that he cited are absolutely right to be concerned about special educational needs provision. I am no expert on the subject, so these comments are meant respectfully to him.

As I say, I am not an expert on education, nor am I a lawyer, but it seems to me, as the hon. Gentleman has already accepted, that many of the things for which he is pressing have already happened under clause 1(8)(a). Some of this—again, I am not a lawyer—seems declaratory in nature rather than necessary. The focus on recognition of the condition and the right of appeal is central, but with respect I would say that there is some confusion about the amendment, and that it would not achieve the purposes that he wishes. He has talked at immense length about his concerns over funding, quality, and the definition of low incidence special educational needs. Amendment 71, to my non-lawyerly eye, would not achieve any of those objectives.

In fact, if one listened carefully to what the hon. Gentleman said, one heard him focus repeatedly on the word "mechanism". He is very interested in process, and on that we have a philosophical disagreement. Instead of beginning from where we are and what academies are actually doing, and accepting that the Bill will improve rather than decrease the performance of academies in relation to special educational needs, he is obsessed with central processes. He seems to believe that local authorities are the ideal mechanism.

4 pm

Reading the amendment carefully shows that it is not really as the hon. Gentleman implies. It is an attempt to do things that have nothing to do with the law. A lot of what he talked about from the Dispatch Box would be absolutely right for him to consider if he were the Minister, such as the importance of considering funding arrangements and ensuring that definitions are in place, but a lot of the detail of the amendment is about

administration, not about the law. The purpose of the law is to define the objective, which, broadly speaking, is to delegate.

I notice that the hon. Gentleman does not like the word "delegation" and is not comfortable with it. He is not, as he suggests, simply asserting the importance of special educational needs, nor even the necessity for a process or a mechanism. He is setting out a specific process and mechanism, namely local authorities. His amendment repeatedly requires the Secretary of State to assess all the current local authority provision and the support that it provides, and to focus in that assessment on any funding requirements attached to that.

That is a classic example of what was wrong with the previous approach. Instead of focusing on a special educational needs outcome with which we all agree, the hon. Gentleman is attempting to micro-manage the process with a preference for the local authority.

With respect and much gratitude, I thank the Committee.

Pat Glass: The amendment is on a really important matter, and the fact that so many Members are present after 4 o'clock on Thursday shows how important.

Given my background in this area, I wish to start by saying that a lot of it is about definitions. I welcome what the Minister has said, but as someone who is steeped in the issue and has worked in special educational needs for many years, I have to say that I am sorry, but it just is not enough. SEN is a notional term—it is almost in the eye of the beholder. It is not defined in law. There is a huge code of practice intended to give the term feel and shape, but that code of practice is nothing more than guidance. It mentions the responsibilities of local authorities, but not necessarily those of schools or academies. If we are to rely on the code of practice, it will need to be rewritten with those things specifically stated.

SEN is also a disputed term. The very fact that we have an SEN tribunal, with which local authorities struggle all the time, and which is large, growing and very costly, and that SEN cases are in the courts all the time, suggests that the term is not defined now and will become less defined in future.

I have gone into many schools, some of which achieve incredibly highly, and found that 50% of their children are on their SEN register. That is clearly nonsense, and there are all kinds of reasons for it. It is the teacher in the classroom, or the head teacher, who defines whether a child has SEN and places them at school action or school action plus. In many cases, they do not even advise the parent. That is illegal, but it happens. Head teachers do that for myriad reasons, including that they feel it will improve the school's contextual value added and its standing with Ofsted.

Some local authorities still delegate funding on the basis of school action and school action plus, however stupid that may seem, as I tell them. The number of children who are at school action or school action plus or defined as having SEN depends on so many different contextual issues in different places.

That brings us to the comments about who gets a statement and who does not. In defence of my former colleagues, I have never dealt with services that do not want to do a good job or want to prevent children from getting the support that they need. However, they are rationed services and they have to prioritise. No matter how much money the previous Government and the Government before them put into the more severe and complex end of SEN, which is growing, it inevitably drifted off to the less severe end. That is why there is a problem of children with statements who should not have them, and others who need them but do not get them. I hope that the Government can resolve it, but previous Governments have not been able to do so. One can put as much money as one likes into the hard end of SEN, it will inevitably drift off to the mild end of the spectrum.

As the Chair of the Select Committee rightly pointed out, low incidence SEN is exactly that—SEN that occurs rarely. It is sometimes called, "low incidence; high need; high cost." Low incidence SEN services are generally classified as services for deaf and hearing impaired children and for blind or partially sighted children. Autistic spectrum disorder is not classified as low incidence SEN. It was in the past, but it is the fastest growing SEN. What will happen to autism services? If the provision is not defined, services for children with autism may be delegated.

Robert Flello: I am listening with great interest to my hon. Friend's extremely well-thought-out speech, which clearly shows her vast knowledge. Does she recognise the situation that I came across in one of my surgeries at the end of last week? A family came to see me about their 18-year-old son, who is now, sadly, in the criminal justice system. It took until he was 14 before he was diagnosed with autism—far too late for the proper interventions to be made. He is now 18 and in the criminal justice system.

Pat Glass: Sadly, that happens far too often. Unfortunately, when children are diagnosed with ASD or attention deficit hyperactivity disorder, whether they are put through the behaviour system or the autism system greatly depends on family background and the clinical specialist they see.

Andrew Bridgen: What does the hon. Lady believe to be the underlying level of SEN in the pupil population?

Pat Glass: That is a difficult question. The more severe and complex end of SEN is growing quickly, for all sorts of reasons. For example, we are the binge capital of Europe, so why are we surprised when there is an impact on complex and severe needs? I think that the figure is approximately 0.06% of the school population. It is a small proportion. The figure for children who experience some special educational need during their education is between 18 and 20%. That does not mean that all those children have SEN throughout their career. However, vulnerable children who under-achieve are a much greater proportion of the population—approximately 30%.

Let me revert to low incidence SEN. Special educational needs and admissions are the biggest parts of the ombudsman's work. Local authorities sometimes get them right and sometimes get them wrong. They are the most contentious areas in education. I predict that the only people who will get anything out of this measure will be lawyers. Defining low incidence SEN is a lawyer's

dream. If we do not get that right now, the House will end up returning to the issue later in the year, as someone rightly said, but in the meantime, parents and children will lose out.

Educational psychology is not defined as a service for low incidence SEN pupils. Given the degree of cuts that my local authority needs to make, it is currently looking at what percentage of the educational psychology service it can reasonably cut without damaging front-line services. Low incidence SEN services do not necessarily cover autism—depending on the local authority—educational psychology services, or children with physical or medical difficulties. The Bill mentions "low incidence...disabilities". I worked in children's services for most of my adult life, but I have no idea what that means. I guess we must leave it to a lawyer to decide.

One thing that I am very concerned about is that parents are not involved. I have learned over the years to my cost—I have done things wrong in the past that I have learned from—that the most important people in such procedures are parents, but they will not be consulted under the Bill, which is being rushed through the House without any consultation with the organisations that support parents or with parents themselves. Frankly, the Government will come to regret that.

The hon. Member for Penrith and The Border (Rory Stewart) talked about the code of practice being an administrative issue. If he had a child with SEN, he would not see it that way. The code of practice is about children's lives and chances, and if we lose it, it will not come back.

Rory Stewart: With respect, I have a sister with SEN. I intend no disrespect at all, but the question we are addressing today is how best to serve such people. When I make a distinction between administration and law, I am making a distinction between the end—our objective, which is to help those people—and the means to that end. I am afraid that Labour Members have confused the two. They imagine that the only means to that end is through the current local authority processes. We agree on the objective and the rights of the child and the parents, but we will achieve our objectives much more accurately if we do not try to micro-manage the process here in the House.

Pat Glass: I accept what the hon. Gentleman says, but his view is not mine. I am opposing the Bill not for the sake of it because I am a Labour Member—I have learned over the years that it is not what makes me noble that matters, it is what actually works for children. If evidence were presented that convinced me that academies will deliver for SEN children or that free schools would make outcomes better for them, I would support them, but with my years of experience, I have serious concerns.

Mr Hayes: I hesitate to interrupt the hon. Lady, who I can tell is both experienced in, and passionate about, this matter, but it is important that she sets out her views on what the existing academies have done. If she is so concerned about the effect of academies on SEN, does she feel that there has been a deleterious affect on the interests of SEN children as a result of the previous Government's academy programme?

Pat Glass: If the Minister had been here—was it yesterday or the day before?—he would have known that I gave a very detailed speech on my concerns about academies. Children with SEN only very rarely gain admission to academies and there is concern about monitoring the progress of those who do, and a much higher proportion of SEN children are excluded from academies. That was an issue when we had only 200 academies, but if there is a much larger number, we will make the problem that much bigger. In addition, we would effectively exclude SEN children from the most high-achieving and outstanding schools.

4.15 pm

Gavin Barwell: I am enjoying the hon. Lady's speech, but I wish to pick her up on one point related to exclusions. The latest figures from the Department suggest that in academies the exclusion rate for pupils with SEN is five times higher than for pupils without SEN, whereas in the general maintained sector it is nine times higher. So the evidence suggests that academies are less likely to exclude pupils with SEN than the maintained sector as a whole.

Pat Glass: I would argue that academies serve poorer neighbourhoods and it is more difficult to get into an academy in the first place. People may argue that academies take a higher proportion of children with SEN than maintained schools, but as I argued earlier it is up to academies to define who is SEN and who is not, and they may have a very different tolerance level from that of maintained schools—that has certainly been my experience.

Mr Graham Stuart: I mean no disrespect to the hon. Lady's expertise or passion in this area, but she suggests that the existing academies make it harder for children with SEN to get in than other schools. However, the only data that we have suggest that that is not true. She suggests that academies may block children with real SEN getting in and then falsely nominate children as having SEN afterwards. She needs to substantiate that, because it is a serious allegation and if true should be looked into in more detail.

Pat Glass: I accept that that is what the data suggest. I stand here with 25 years of experience and I am simply giving the Committee the benefit of that experience.

Bill Esterson: Not only do I agree with my hon. Friend that some academies are artificially changing the arrangements—I am choosing my words carefully, and perhaps the Select Committee should look into this—but many maintained schools have been doing the same thing. That is something that I am familiar with from where I used to live, where schools would artificially depress the number of children described as having SEN, under pressure from local authorities, for financial reasons. There is a danger that this legislation would see that continuing with the academies. That should be looked at in greater detail, as the Chairman of the Select Committee suggests.

Pat Glass: I agree with my hon. Friend.

The biggest body blow to centrally supported specialist low incidence SEN services came from delegation targets. In order to reach delegation targets, which were mandatory, local authorities arbitrarily put over the side into schools

[Pat Glass]

anything that would take them to the magical 96%. In some local authorities, specialist services were lost and they have never recovered.

Charlotte Leslie: I am enjoying and being informed by the hon. Lady's contribution, which is based on her experience. On both sides of the Committee, there is a recognition that SEN provision is inadequate. I did a study a while ago that showed that children on school action plus had higher exclusion rates than those on other forms of SEN statementing. We need to tackle a range of issues in this area, and I wonder whether we are looking at a large problem through the small angle of one clause in this Bill. The problem may be solved only by—to use the cliché—a root and branch review of the entire SEN system. That would improve the role of academies in that area as well. Perhaps the Minister could address that point as well.

Pat Glass: I understand the hon. Lady's point, and there are many deficiencies in the wider SEN system. My concern is that if the issue of low incidence SEN is not defined properly, the situation will be made much worse. In some respects this is not a party political issue, because we are all here to do the best that we can for children with SEN and their parents, whose lives are a struggle without making things worse.

We have lost good specialist services over the years, when funding was delegated to schools but they did not buy the services back. I have learned to my cost, when these things have happened, that we simply cannot get those services back quickly. Teachers of the deaf and the visually impaired and blind do not hang on the back of cupboard doors; they take years to train, and it is hugely expensive. Building those services back up once they have gone, particularly if the local authority does not have the funding to do so, will be impossible and will severely disadvantage these groups of young children.

Mel Stride (Central Devon) (Con): Are there not examples of local authorities—one thinks of Suffolk—where the arrival of academies has not damaged SEN provision? So it does not need to be that way. Some academies have the ability to buy back services from the local authorities, but where that does not occur, does one not have to question the quality of the provision?

Pat Glass: There are two issues there. First, in the past it has depended on the number of academies. With all these arguments, there is a critical mass issue. If enough academies go and take their funding with them, it will no longer be possible for organisations, whether the local authority or some other body, to provide that service to the standard required. Have I answered the hon. Gentleman's question?

Mel Stride: Yes, the hon. Lady answered the first part of my question. The second part was: is it not of concern to her that, when academies choose not to buy their services from local authorities, those services might not be of the requisite standard? That, in itself, is a concern.

Pat Glass: No doubt there are variations in the quality of service across the country. However, in my experience, the low incidence, high-need, high-cost services across the country are usually very good and valued by schools. The difficulty is that, at the moment, there is not a market place for it, so if we lose these services and a school finds that it needs them—for instance, if a blind child comes to the school—but has no idea about Brailling, specialist services, disability or any of these things, it will not be able to buy them from a market outside.

Damian Collins (Folkestone and Hythe) (Con): In incidents such as the one she describes concerning valued services, might not an academy school look to buy those services off the local provider for the benefit of their own pupils?

Pat Glass: Yes, it could, and yes, it should. However, as the hon. Member for Bradford East (Mr Ward) said yesterday, sometimes good people do bad things, and head teachers are not always as forward thinking as we would like them to be. Obviously, the best ones are, but if a school does not have any blind children, why would it buy in to a sensory service? It could also argue that, if a child wishes to attend that school, it cannot meet their needs.

Mr Ward: I must say this is a fantastic debate. I was not sure of the right time to introduce this point, but it is not always the case that, if a school has its own budget, it will do the best thing by the children. The best example is probably the provision of education social work. It might seem that the school is the client of the education social worker, but of course it is not—the child is the client. Very often, if a school is offered the money, it will buy in its own education social worker, who will be a door knocker for getting those kids into the school. Once a child is on the roll and the school is getting the funding, some schools will say, "Actually, we're not too bothered if that person doesn't turn up today." Believe me, it is true! It happens—because, in many cases, schools are forced into doing it. But the child is the client, and if the best place for the child is in school, the education social worker will try to facilitate that to the best of their ability. However, if that education social worker is employed by the school, sometimes the school will let the child in, but sometimes it will not be too bothered. I have known young children who have been out of school for two years—

The First Deputy Chairman of Ways and Means (Mr Nigel Evans): Order. Interventions, by their very nature, should be short.

Pat Glass: I absolutely agree with the hon. Gentleman. The experiences of those of us who have worked in the education system might be very different from the experiences of those who have used it.

Mr Hayes: I hope that I can reassure the hon. Lady, as I am anxious to achieve an Hegelian synthesis between our positions. There are two things, really. The first is that the Government will be issuing a Green Paper to look at the whole issue of SEN. She is right that we need to consider it in the round—it is an issue that the Government take seriously—and that is what we will be doing. Secondly, with your indulgence, Mr Evans, let me say that the amendments to the Bill that the hon. Member for Gedling (Vernon Coaker) has suggested

would mean that academies would have an unqualified duty to admit pupils with SEN statements. I just wanted to place that on the record so that we can make progress.

Pat Glass: I will wind up now. I welcome the amendment that has been made. It does help and it will give confidence to parents and teachers working in the sector. However, I have real concerns about the lack of clarity. The people who will gain will be lawyers, and there is a lot more work for the SEN tribunal to do. Parents and local authorities will yet again be left without clarification, and in many cases they will be left to find their salvation in their own way. There are good local authorities and there are not so good local authorities, and it is the children in those authorities who I am concerned about.

Stephen Metcalfe (South Basildon and East Thurrock) (Con): Thank you for the opportunity to address the House—through this Committee—for the first time, Mr Evans, in this important debate. First, I congratulate my hon. Friend the Member for Penrith and The Border (Rory Stewart), on making what I believe is his second maiden speech, and the hon. Member for North West Durham (Pat Glass), who has added considerably to this debate. I do not think that I shall be able to add as much, in terms of detail.

As hon. Members would expect, I have studied previous maiden speeches and, not surprisingly, found them to be very formulaic. Although I do not intend to stray far from that formula, it would be worth recognising that change has come to this House. I look around and I see my new colleagues brimming with enthusiasm, optimism and energy—*[Interruption]*—well, some of them—and for this opportunity I will be eternally grateful to the good people of South Basildon and East Thurrock for sending me here. They have put great trust in me. I intend to repay that trust by being open and honest with them, and accessible and available. My one aim is to ensure not only that they have a voice, but that that voice is heard.

South Basildon and East Thurrock is based on the old Basildon seat, which has rightly been seen as a bellwether seat for many years. Despite the recent boundary changes, it is still able to claim that title, as I believe it represents a marvellous cross-section of this wonderful country. Situated just 30 miles down the Thames from this place—and yes, I have heard every single Essex joke going, so we do not need to go through those—my constituency is made up of two halves. The Basildon half consists of Basildon new town and the wards of Vange and Nethermayne, as well as Langdon Hills and the established town of Pitsea. To the south, on the Thurrock side, I have two main towns—Stanford le Hope and Corringham—and a number of rural villages, including Fobbing, Orsett, Bulphan, Horndon on the Hill, Linford and East Tilbury, and an area called The Homesteads.

The area is one of great diversity and although much of it is new, it has a rich and varied history. Basildon, as hon. Members probably well know, was one of the new towns founded in 1949, following the shortage of housing after the second world war. However, the name Basildon dates back to Saxon times and can be found on many ancient maps. Although many of the other towns and villages that I have mentioned can also claim that, with hundreds of years of history, there is one that particularly stands out: Fobbing, a village where one of the first of the uprisings that eventually led to the peasants' revolt took place—a revolt led by Wat Tyler, who incidentally gives his name to an important local country park. Those uprisings were the beginning of the end of serfdom. How appropriate it is that just over 600 years later it is this new Government who have decided to return some power to their citizens before there is another revolution.

4.30 pm

It is customary in a maiden speech, and indeed a pleasure, to pay tribute to one's predecessors, which I fully intend to do. However, as South Basildon and East Thurrock is an amalgamation of three seats, I might just need a little moment to do that. First, I pay tribute to my hon. Friend the Member for Basildon and Billericay (Mr Baron), from whom I have inherited approximately 30% of my seat. He represented Pitsea and Bowers Gifford for nine years, from 2001 until May this year. I would like to thank him for the care and attention with which he served his constituents over that time. I also want to thank him for the support and help that he gave me in my years of trying to win that part of the constituency. I hope I will be able to serve as diligently and as well as he has done.

I would also like to recognise the contribution of the former Member for Thurrock, from whom I inherit the villages of Linford, East Tilbury and Muckingford. Although he and I would have sat on opposite sides of the House and been totally politically opposed to each other, we would have shared one desire—namely, to serve our residents, which I know he did so well for so long.

Finally, I must pay tribute to my opponent at the election, the former right hon. Member for Basildon. First elected in 1997, she served the local community with great distinction as well as making a significant mark here in the House. Her contribution to the House has been recognised, as she has recently taken up a seat in the other place. Indeed, she made her maiden speech there only this afternoon. Over the 13 years, she worked very hard to highlight local issues and to support the local community—something that I intend to emulate. She also demonstrated unstinting loyalty to the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown)—something that I do not intend to emulate. But she never forgot who sent her here, and neither will I.

I am sure that hon. Members would agree that one of the best parts of our job is having the opportunity to support the local community, and to go round and thank local charities, groups and organisations for the work that they do on behalf of the community. Indeed, one of my first official functions was to attend a celebratory dinner to mark the 20th anniversary of the opening of St Luke's hospice. It is an incredible place, as are all hospices. But St Luke's is perhaps slightly more incredible than most, because it was the result of one woman's single-minded determination to turn an idea into reality. With only 25p in the kitty, Trudy Westmore-Cox, together with a small but dedicated committee, went about establishing what is today one of the most respected and supported local charities. It provides a fully functioning multi-discipline hospice offering in-patient care and home care. This requires about £3 million in funding each year, much of which is raised through the support of the local community. This is big society in action, and just one of the examples of the numerous organisations I have had the privilege to support over the years.

We are also a very industrious area, in which business plays an important role in the community. Indeed, many hon. Members might have seen the Basildon sign, of "Have I Got News for You" fame. It marks the gateway to an incredibly industrious area that employs about 45,000 people in some of the most dynamic and innovative companies around. Those companies thrive on having a supply of well-educated, enthusiastic and aspirational people. It is our duty as politicians to provide an education framework that delivers that, and I believe that the Bill that we are scrutinising today will do exactly that. It feeds into the need to provide a well-educated work force for the future. It is through our businesses and through innovation that we will get our country back on track.

I understand the sentiment behind the amendment that we are discussing, but I believe it is ill-placed. From my experience of discussions with governors, staff and teachers, I know that they are desperate to show that they know what is best for them and their pupils, and that they know how best to serve their local communities. We must give them the opportunity to do that. I fear that the amendment would hinder that process and deprive my constituents of the chance to access academies at the earliest possible opportunity.

These issues are vitally important to my constituents. Essex attracts many preconceptions: I think that many people misunderstand it. We are a proud county. We have our foibles, but I think that, as well as being proud, we are hard-working, industrious and generous. Those traits—combined with the opportunities that I believe the Bill, unamended, gives us—will help us to emerge from the challenges of the past 13 years.

Finally, let me extend to every Member, both in and outside the Chamber, an open invitation to come and see my part of the world. I invite Members to come down and see what a fantastic part of the world south Essex is. I shall then be able to demonstrate to them that what we are discussing here today, and what is being discussed in Government, will make a real difference to the people in my constituency, and to the pupils and staff of my local schools.

Mr Mike Hancock: I congratulate the hon. Member for South Basildon and East Thurrock (Stephen Metcalfe) on the way in which he presented his maiden speech. He made an offer that a dozen or so Members may find hard to refuse. An offer of hospitality at his house for a weekend, just as the recess is starting, is one that think many Members should be persuaded to take him up on. He will be able to show them round his wonderful constituency. Let me also say how right he was to pay tribute to his predecessors. Making a maiden speech is never easy, and it is a pleasure to be the first to congratulate the hon. Gentleman on his.

I am glad that the hon. Member for Penrith and The Border (Rory Stewart) spared a few moments in his speech to remember David Maclean. Those of us who knew him here will have respected him not only as a parliamentarian, but as a man of enormous courage who bore the injustice of the illness that beset him with great fortitude and—I genuinely believe—real courage. I saw the way in which he battled with his illness over a number of years. I had very little in common with him, but I always admired the formidable way in which he coped with it, up until his very last days in the House. It was a great pleasure to hear what the hon. Gentleman had to say about David Maclean, and he was right to remind the House of his commitment to his constituency.

It is not often that we feel humbled both by a Member's commitment to the issue being discussed and by the amount of knowledge that the Member brings to the discussion. It was a pleasure to witness the forthright and passionate way in which the hon. Member for North West Durham (Pat Glass) presented her case. I was opposed to the idea of the Bill's being dealt with by a Committee of the whole House, but if ever there was a reason for such an arrangement, it was the hon. Lady's speech today. If it had been made in a Public Bill Committee, it would have been lost to the wider world. That is a tribute to her, and perhaps to the system that has allowed a larger audience to appreciate the words that she uttered, and has allowed her to bring her experience of these matters to bear. We should be grateful.

Nevertheless, I have a niggling anxiety that the Bill has not received the scrutiny that it ought to have received. The debate that we have had, splendid though it has been, is unlikely to prove helpful, because some members of the coalition will see it as a formula for future legislation. I hope that that will not come about, and that this will prove to be the exception rather than the rule. I do not think that allowing the whole House to deal with legislation is helpful to Back Benchers in particular, or to the substance of the debate. The issue of special educational needs, for instance, is fundamentally important.

The Minister told us, courteously and properly, that he would make helpful statements that would address some of the issues in the amendment. Nevertheless, the amendment poses significant questions. If a Committee had considered it over a number of weeks, and a number of days in each of those weeks, it could have been dealt with properly before being returned to the House on Report, and could have been agreed to. We could have had a much better Bill. Like everyone else, I am delighted that the Bill has improved enormously.

I spent 10 of the happiest years of my working life working with young people with extraordinary personal difficulties—children and adults with extreme special needs, ranging from those who had been institutionalised for their whole lives—some had spent 50 or more years in an institution—to babies whose parents had recently been told of the problems that they faced and the lifetime of care and devotion they would have to show to someone with severe disabilities of one form or another. When I was doing that job, people used to ask me what I did. I said, "I bully for people who cannot bully for themselves."

The one thing I learned at the beginning of my work with children, and with parents in particular, was that they expected so little from society. They did not ask for the earth or for things that could not be obtained. They simply asked for a fair share of resources when they were needed, whether that was in nursery, primary or secondary education, or in proper health care. Every single part of that was a struggle and continues to be. That goes back to the Education Act 1944 and to the formulation of the national health service. People with learning disabilities and those with mental health problems were neglected. They were ignored. They were put aside. They were institutionalised and forgotten. It has taken us 70 years to draw that system towards reality.

The hon. Member for North West Durham was right; the striking anomaly is that parents have not been mentioned. The parents need to be consulted and will need to be convinced. I used to try to convince parents of young people aged between 20 and 30 that they had to let those young people go. They had cosseted them with all their love and care but they had to let them go. Those parents were starting to realise that their children would outlive them and would need to experience some risks. Young people, particularly those with acute needs, must experience such situations at the youngest possible age. I want to be convinced by the Bill that free schools will accept their part of the obligation. I am not convinced by the way in which the Bill is formulated that it will give the certainty of care that people want.

I am disturbed by the fact that there seems to be some ambiguity about the interpretation of some of the words. The hon. Member for Penrith and The Border said that there was clarity in terms of subsection (8)(a), which addressed the issue. It does not. Who will challenge the provision? Who will have the right to say whether the proper provision is being provided? Who will step in? Where will the Secretary of State put suitable alternative arrangements if those arrangements do not exist because resources have been siphoned off elsewhere? Will he put new money in?

Mr Hayes: As usual, the hon. Gentleman is speaking with insight and I want to be clear with him. The Bill and the Government have no intention of diminishing the status of special educational needs or of the people who endure that, including the parents. There will be no relaxation of the statutory responsibilities in respect of admissions and statementing. Pupils with SEN statements must be monitored by local authorities; that is a statutory responsibility and there is no diminution of that. The hon. Gentleman is right; we must be determined to redistribute advantage in society, and we will.

Mr Hancock: I am delighted, and it was remiss of me not to welcome the hon. Gentleman to his ministerial position. I apologise to him. It is not often that an MP makes a point here and not only gets a Minister to put him right but also hears the Minister state for the record what the Government will do. That is to be welcomed. I only hope the eating is as good as the preparation seems to have been. I have some doubts about that, however, because I know from experience, from my lifetime of 40-odd years in local government and a working career that involved spending a lot of time addressing this subject, that promises have been made but so many of them have failed to be kept.

4.45 pm

Ian Mearns: I have experience over the years as a local authority representative and also a school governor, and I have come across all too many children whose parents do not even know that they do not have aspirations for their child. Particularly in deprived communities, many parents, and consequently their children, accept the lot they are given. They have a stoicism, and also a lack of understanding about how the systems work and how they could make things better. Because of that, they do not have the fortitude or understanding to pursue improvement for their own child, and in such a scenario who will look after the child's interests in respect of these independent academies?

Mr Hancock: I 100% agree. Sadly, I have seen that so many times—somebody who has devoted their whole life to their child, but to caring for them in their home environment so that they have never really tried to develop their true potential. Mencap's slogan was about everyone having the opportunity to achieve their true potential, and all aspects of SEN education must always involve offering every child the opportunity to fulfil their potential.

I think there is a problem for existing schools that have a very good record of trying to facilitate proper care and to provide suitable and proper education for people with SEN. Some of them might find that because of the establishment of an academy or free school and the attractive way in which they are promoted as being something better, parents will take their children away from their old school and move them into the new academy or free school simply because they have been told that it is the thing to do and that that is the way the future will emerge. That will cause damage to the fabric and set-up of the existing school, and some of them will suffer greatly.

Mel Stride: Does not that argument suggest that parents cannot be trusted—that they do not have good judgment when it comes to looking after the future of their own children? Should we not put more trust than that in parents?

Mr Hancock: I am wholly in favour of trusting parents; it is the silver-tongued politicians I am worried about, who make the suggestions to people that this is like manna from heaven and that the whole world will be changed. Politicians have more than once talked with forked tongue and parents have been misled into believing that a certain direction was the way to go only to fall foul of a politician's promise, which was usually made before or during, rather than after, an election campaign. Very seldom have such promises been made after an election campaign, and very seldom have they been fulfilled.

Graham Evans (Weaver Vale) (Con): I can talk from the experience of being a parent of a child with special educational needs, and also as an MP representing lots of children from disadvantaged backgrounds. My eldest child had trouble with his arithmetic; he would get 3s and 7s the wrong way round. I was told by the teachers that it would be okay and he would work his way out of that, but I became concerned as he got older and reached the ages of eight, nine and 10. I therefore asked about getting the SEN specialists and an educational psychologist to take a look. That did not happen; the school refused to do that because they said there was nothing wrong with him. After another academic year went by and nothing happened, I decided to employ an educational psychologist myself, and it was clear that my son had SEN issues. The local school and local authority were quite happy to take and run with the document from the independent educational psychologist —for whose services I and my family had to pay several hundred pounds—and the SEN statement was therefore put in place.

The Bill will change the way things happen, and they did not work in the past, certainly in my area. I hear what the hon. Member for Portsmouth South (Mr Hancock)

[Graham Evans]

says about his concerns and the remarks of the hon. Member for Gateshead (Ian Mearns), but I believe this Bill will put checks and balances in place to prevent what they fear from happening. The system does not work now and it did not work in the past, and this Bill is an opportunity to sort it out.

Mr Hancock: I have nothing but admiration for the hon. Gentleman for having both the ability and the courage to take on the system on behalf of his children. Parents get worn down by the system, having been frustrated by it time after time. They are physically worn out—as young people, in some instances—because of the struggles they have had to make. He was lucky that he had both the courage and the resources to take on the system, because so many parents do not have that and are always relying on somebody else to fight their battles for them.

Charlotte Leslie: I realise that this does not directly relate to the amendment, but part of the Bill deals with additional schools or free schools. There are parents of children with autism who are very much looking forward to setting up a free autistic school. That will benefit other parents of children with autism in their area who would wish to send their children to a particular school but whose local authority has not recognised that need until now. They have had their ambitions stifled by a local authority system that may not be working.

Mr Hancock: I would love it if we had an autistic school in the heart of Portsmouth. However, what happens if the autistic school is on the other side of Dorset and suddenly somebody has to pick up the bill for sending a child there? It simply will not happen and this provision will not be there. This approach is okay in London, where travelling is not a problem. Setting up specialist schools for autistic children would be great in closely defined neighbourhoods, but if these schools have to cover a large area, they will be very expensive to set up, extraordinarily expensive to staff and expensive for local authorities to fund places for or for parents to have to pay for.

Andrew Bridgen: I must agree with my hon. Friend the Member for Bristol North West (Charlotte Leslie), because on Friday I had a meeting with two teachers, both of whom have children with special educational needs, and they are very keen to set up a free school to provide for children with such needs. Such a school would help not only their children, but others in the local area. So this situation is not uncommon.

Mr Hancock: I can understand that. I share the frustration of those parents with the current system, but this problem will not be solved by one or two people, or a group, believing that they can solve it by setting up a free school. That is because such a school will not help the greater number of children, for example, the increasing number of children with autism.

The hon. Member for North West Durham took an intervention about autism when she was explaining how difficult it had been to make progress on dealing with it, and she was asked what she thought about the Bill. I think that it will retard the benefits that have been introduced, particularly in respect of autism. It is difficult to get resources for people with autism into schools; lots of schools simply cannot cope with it.

One hon. Member, who is no longer in his place, intervened to talk about his own experience; he discussed the role of child psychologists, and how it was very difficult to get them and for schools to have them. Once again, that shows one of the flaws that we must address. I was delighted that the Minister said that we would have a Green Paper and an opportunity to discuss, in some detail, the fuller implications of special educational needs. We have to protect and serve these young people now and in future generations.

Mr Robert Buckland (South Swindon) (Con): The hon. Gentleman made an important point about the problems with provision caused by an increase in the number of diagnoses, and he also said that the Bill will retard the situation. Is not the fundamental problem relating to the diagnosis of autism the patchwork delivery across the country and a lack of specialism in certain areas? I can cite a part of the country where that applies. In Cardiff, until recently, there was no such thing as a "female child with autism". That was not because there were no female children with autism, but because the specialism was not available in the first place. That is a question of medical and other provision, and is surely not germane to this Bill.

Mr Mike Hancock: Once again, in all the years that I have been here I have seldom been in the House on an occasion where so much common cause has been put by people who care so passionately about the issue. Of course the hon. Gentleman is right. There is a widespread lack of clarity about who diagnoses, about who is prepared to do it and about who is really suffering. For years, autism was seen as something that kids would grow out of. It goes back to the point made by the hon. Member for Weaver Vale (Graham Evans) about his son's failure to be able to do his maths properly. The old adage of, "He or she'll grow out of it", was used for years as an excuse to people whose children had autism. That was a complete failure of the medical and educational systems in this country.

Charlotte Leslie: Will the hon. Gentleman get rid of my confusion on one issue? There seems to be inconsistency in the attitude towards parents. On the one hand, there has been concern that parents are not key in the Bill and that they have not been consulted enough, but on the other hand, when it comes to empowering parents the same enthusiasm is not shown. Speaking from my experience, I find that parents do not want to be consulted so much as to get what they want. The measures in the Bill to enable parents to do that are, according to my experience of what parents want, far more important to parents than just being listened to and not having what they want happen after that.

Mr Hancock: That is the story of the past 60 years. Parents were spoken to but they were not listened to, so they ended up not getting what they wanted. When parents are consulted, particularly parents who have children in this situation, they are only too aware of what they would like to see happen. They would like to see services without having to arm wrestle for them and without having to fight the system and to appeal. That

has happened with the failure of many local authorities properly to carry out assessments and to provide statements for children. Why should parents have to struggle to get a statement for their child, as they have to, simply because they disagree? I have been to statement conferences on children where none of the officials in the room had met the child. They were all talking from somebody else's notes, which had been provided by people who had met the child. The parents were sitting there in total disbelief and I just told them, "Let's get up and go," and we walked out.

Charlotte Leslie: I thank the hon. Gentleman for giving way yet again. I find that the debate is again moving towards a general complaint about the whole system of SEN provision and I want to thank the Minister for his announcement today that there will be a Green Paper to look into this matter. Once we have the whole system of SEN sorted out, the issues that we are facing with this Bill will become much clearer and much less problematic.

Mr Hancock: The hon. Lady is a formidable supporter for the Minister, and one that the House will have to learn to deal with. She is fighting his corner and that of the coalition very well, and I would probably be grateful for it except on this occasion I do not agree with one word of what the coalition has come up with.

Rory Stewart: I thank the hon. Gentleman for giving way. What is the relevance of this to amendment 71? I do not understand how it is relevant.

Mr Hancock: That is perhaps more of a question for you, Mr Evans, than for the hon. Gentleman. *[Laughter.]* I give way.

Pat Glass: How do I follow that? On the issue of parents, I said earlier that I am someone who has been humbled and that I have made mistakes. That is why I am saying to the Minister that there is an important role for parents. It is always harrowing to listen to the stories of parents when they know that there is an issue and that their child has needs but those needs are not being addressed. There is always a dilemma. We hear a lot about how hard up we are, about how there is very little money and so on, but there is not enough money in the world for SEN. We must face that. It becomes about priorities.

I have never met a parent who did not want the best for their child. Sometimes they have not always been able to display that in the best way—sometimes they have been very aggressive—but they still want the best for their child. In all my years of experience, however, I have never once been approached by a parent who said, "I want to open my own school"—never once. That is not to say that it does not happen because, as I said earlier, there are good local authorities and poor local authorities. I sympathise with parents who live in those areas where there is a lack of provision, particularly for autism.

The First Deputy Chairman: The hon. Lady must intervene briefly.

Pat Glass: Oh, right—can I make one quick point? Where special schools have been set up, whether by parents or by other organisations, the difficulty is that we all want to put money and resources in at the hard end, but what inevitably tends to happen is that that drifts away. When we look at schools that have been established, with the best of intentions, for the children with the greatest need, the children tend, in some cases, to have less severe needs.

5 pm

Mr Hancock: I am grateful for that intervention, and for your patience, Mr Evans, in allowing two interventions on the jump, so to speak. The hon. Lady makes a valid point. She is honest enough to say that she has made mistakes. There have been some big mistakes—I have made some very bad judgments in cases that I have fought. I remember a particularly harrowing case that we did not win because of cost: one child's care would have cost more than £120,000 a year, which is a formidable sum of money in any circumstances. Everyone agreed that the placement was right, but the local authority simply could not contemplate spending more than £1 million over 10 years on one child. As we walked out, I asked the parents what they wanted to do and the father said, "Well, Mike, it's about time you and I decided to rob banks to get the money for these kids to have the care they really need." No parent should have to think that the help their child needs will not be there. I wish Ministers all the very best, because I believe that they are well intentioned, but this is a big issue.

I shall come back to amendment 71 for the benefit of the hon. Member for Penrith and The Border (Rory Stewart), who could become a bit difficult if he pulls that trick too often in Committee; he will not be very popular if he starts asking about the relevance of comments to amendments. The importance of amendment 71 is that it poses questions that are not answered in the Bill. People want the reassurance of having those measures in the Bill because this is about laws and the way they are interpreted. The amendment would make it clear that parents have a right to be properly consulted and would make clear where the various aspects addressed in the amendment would be delivered.

Mr Hayes: I know that my hon. Friend is reaching the exciting peroration to his speech and I do not want to interrupt the seminar that he and the hon. Member for North West Durham (Pat Glass) are offering us, but it is important to point out that we take autism seriously and that academies do not prevent appropriate planned provision, including for autism. He might know that Haberdashers' Aske's Hatcham College academy has an autism unit that provides not only for pupils there but for those in the wider community. I want to give an absolute assurance that the Government take autism seriously and that they will look at it in the context of the Green Paper I have mentioned.

Mr Hancock: I never doubted for a minute the Minister's sincerity or his commitment to it. What I do doubt is the ability of any Government to deliver properly the provisions we want, and I do not want to be seen to be supporting something that I think falls short of what all the parents we have been talking about expect from us. They want to see clarity of thought, a clear direction of travel and a means by which academies and free schools can provide this education without detriment to other schools in their area or to other young people with

[Mr Mike Hancock]

similar difficulties. That is why amendment 71 should be pursued. I hope that it is not withdrawn; I hope that it is voted on and that the House gives it a fair wind, because it would substantially help the Bill.

Pauline Latham (Mid Derbyshire) (Con): I congratulate my hon. Friend the Member for South Basildon and East Thurrock (Stephen Metcalfe) on making his maiden speech. I have been to his constituency and I used regularly to visit a secondary school there in Pitsea. I recommend that he should go and visit it. I am not sure if it still has the same head, but he used to sing in a famous pop group in the 1960s. I cannot remember the name of the group but it was very famous at the time—

Mr Evennett: Very memorable then?

Pauline Latham: Very memorable, yes. From time to time, he would entertain his school in assembly by taking up his guitar and singing some of the songs for which he used to be so famous. I suggest that my hon. Friend visit him. As that was one of the first grant-maintained schools to go, I am sure that it will become an academy school as soon as possible. However, it is in a poor area. My hon. Friend has not just got nice leafy areas in his constituency; it is quite a mixed area, so I wish him well.

There are to be guidance notes on SEN when the Bill becomes an Act. I have a few questions about SEN, because there are many children in schools who have not just SEN but health needs. I cannot see anywhere where that has been addressed; I guess that it will come in the guidance notes. I urge the Minister to clarify what legislation there will be that impacts on the health funding that currently supports special needs children, and how that funding will continue in academies. It is very important that health needs are met, particularly in residential special schools, because it is expensive to educate children in that way, and the health authorities have an obligation to fund the meeting of some of the needs. I am not quite sure how that dovetails with the funding for schools from the local education authority.

Mr Hayes: I will deal with that matter when I sum up—some time in the distant future, no doubt—but to be clear, the hon. Lady's point is profound, because not only does it apply to children who have special needs from birth, but it deals with the important issue of acquired special needs. It emphasises the fact that special needs are dynamic, because the conditions that children and young people face are themselves dynamic. We will certainly consider those matters. I will say a little more on the subject when I sum up.

Pauline Latham: I thank the Minister for that assurance. I am sure that many parents will be interested to hear what he said, because the issue is important to them. There is also the issue of funding of residential special school places. I mentioned that there are residential schools that cost an enormous amount of money. Some of that money comes from health funding, and that is an issue that he will deal with, but I would like to know—again, this will probably be in the guidance—how we will fund residential special schools. There are quite small schools that are very important for the children who go to them, who often have complex special needs that it is difficult to meet in anything other than a residential school.

Mr Hayes: So that I do not have to say too much when I sum up, perhaps I ought to make it plain that the law is clear that when a child is statemented, and their needs are specified, there is a duty to ensure that those needs are met. That might include provision outside the local authority area. Indeed, I spent a great deal of time in the 1980s, when I was a councillor in Nottinghamshire, fighting for parents, families and children who wanted their needs met outside the county. That does not change as a result of this legislation.

Pauline Latham: I thank my right hon. Friend for that assurance, as I am sure parents have concerns about security of funding for schools that wish to become academies. If one has a child in such a school, and one wants continuity, it is extremely difficult when there is any sort of worry about whether funding will continue.

I should also like to ask my right hon. Friend—

Mr Hayes: Hon. Friend.

Mr Evennett: It is only a matter of time.

Pauline Latham: Sorry. Perhaps in time. I know that under the Academies Bill, special schools will not become academies immediately; they must wait another year. I think that was said yesterday. What about independent special schools that wish to become academies? Will they be allowed to become academies at the same time as schools in the maintained sector? Will they be allowed to become special schools within the academies system at that same time, or will they have to wait a bit longer?

Neil Carmichael (Stroud) (Con): First, I pay tribute to my hon. Friend the Member for Penrith and The Border (Rory Stewart) for his excellent maiden speech. I am from the north and I know his beautiful constituency extraordinarily well. I also know David Maclean, who was a fantastic MP, and I pay tribute to him, too. I also congratulate my hon. Friend the Member for South Basildon and East Thurrock (Stephen Metcalfe), whose constituency I know slightly less well, although I think that it is somewhere near where "Dad's Army" used to be filmed.

One thing that I have picked up from this debate is that Members on both sides are concerned about special educational needs. The hon. Member for Gelding, the shadow Minister, made that clear. *[Laughter.]*

Vernon Coaker: On a point of order, Mr Evans. Is there any way of sending out a notice that would enable hon. Members to get right the name of my constituency, which is Gedling? Otherwise, as I keep saying, I am going to have to change my voice.

Neil Carmichael: I am sorry about that. I am deaf in my left ear, and I always assume that that is some excuse. Very many apologies. I am from Stroud, and that sometimes gets mispronounced, although not as significantly as the hon. Gentleman's constituency can be.

Amendment 71 has a couple of problems. Funnily enough, the shadow Minister—I shall not make my mistake again—emphasised that. It is too much about assessment rather than provision. Assessing things raises the question of how long it will take and what the implications are. The problem with the amendment is that it will delay the arrival of academies. I believe that a step is being taken in the direction of improving special educational needs provision, and that is one of the points that I want to make. We need to talk a little about history.

Graham Evans: I agree very much with my hon. Friend. I want to share what happened recently in one of the schools in my constituency. A severely autistic child had been in the mainstream for many years—from reception and through years 1, 2 and 3. It was becoming apparent that he needed more care than could be given in that school. The community is close-knit; everybody knew the child and the family. However, the length of time that it took the local authority to come up with the statement was a complete disgrace. Eventually, it made the right decision and said the right things, but we could see the angst on his parents' faces when they came to collect him from the playground. Do we have to put parents through that, when even as lay people we know what the answer will be? Why cannot the authorities that currently have to make the decisions make up their minds more quickly?

Neil Carmichael: My hon. Friend's point is exactly correct; local authorities can and must start addressing those issues.

I also want to talk about special schools, which have been mentioned. Of course going into mainstream education is preferable to going to a special school, but the fact is that there is a place for special schools. Some time ago, when I was a parliamentary candidate for Stroud, we were fighting a battle to save Bownham Park, a special school that was providing an excellent education—not for a huge number of pupils, but for a number large enough to justify its continuation. It provided education to a range of children from the ages of seven to 16. That school was closed. The parents wanted to keep it open, but the Government were effectively behind its closure and the local authority, under a Labour administration, was pivotal in ensuring that that happened. That is the sort of history that we have to bear in mind when we consider the performance and decision making of local authorities. It emphasises my hon. Friend's point. Local authorities are sometimes responsible for poor decisions, and we cannot allow that to continue.

5.15 pm

Another school in my constituency is Vale of Berkeley college, which has a closure notice. Roughly 40% of its intake have special educational needs. Again, it is not a huge school. It could take some 400 pupils; it now has about 260. Of course, with the threat of closure, pupil numbers are diminishing. The decision to close the school was largely a result of the Badman report, which was instigated by the previous Secretary of State for Education—or "Children, Schools and Soft Furnishings", as somebody called the Department. Vale of Berkeley college is another example of forces outside the local authority and our county making a decision for people with special educational needs that is not in their interests.

That brings me to the role of the local education authority. The shadow Minister has admitted during the course of this afternoon that SEN provision has a mixed record across local authorities, and that has been a theme throughout the debate.

Andrew Bridgen: Does my hon. Friend agree that pupils with special educational needs are very vulnerable to disruption, and that little is more disruptive than moving school? In my constituency, we have a three-tier education system, which adds an extra complication for all pupils, especially those with special educational needs because they have to move again at 14. I would like that to be reduced to a two-tier system. I hope that the Minister will pay attention to those concerns.

Neil Carmichael: That is a good point. Three-tier systems are not particularly common, but where they exist I am sure that that is a difficulty. They do not occur in Gloucestershire, but they do, or did, in Northumberland, where I hail from.

I often find in my postbag complaints about statementing. For many parents, getting a statement is something of a struggle. Local authorities tend to take a long time over these decisions, partly because it is a budget issue, partly because it is a question of understanding why a statement should be issued, and partly because it depends on the resources available within the appropriate department. Many parents find it difficult to get the statement that they think they require for their children, whom they clearly want to look after.

Mr Buckland: Does my hon. Friend agree that one of the problems with the amendment is that any assessment ignores the fact that SEN is a dynamic area of education which is changing constantly, so that as soon as an assessment is made it will be largely out of date?

Neil Carmichael: My hon. Friend is absolutely right. SEN is an emerging story—we all know that. The hon. Member for North West Durham (Pat Glass), with her vast and important experience, made those points as well. That complicates the situation on statementing.

It is not just a question of parents getting a statement, but of what happens when they do. That is just as problematic. I have seen in my postbag cases where a statement has been provided but its consequences are not deliverable for the child. We must remember that provision through local authorities is not as perfect as it ought to be.

We need to consider what happens in academies—that is what the amendment is all about. We already have governors in schools, and they are very important. Governance performs a valuable function in ensuring that schools perform properly, reach appropriate targets and deliver the high-quality education that we need. In the schools of which I have been a governor, we have had a governor specially responsible for special educational needs.

Ian Mearns: It is a legal requirement.

Neil Carmichael: Yes, and such accountability is necessary and good, and we will find it in academies. Of course, we have to ensure that not only is there a legal requirement for such governors, but that they do their job and

[Neil Carmichael]

ensure that SEN provision is properly maintained, promoted and delivered in their academy or school. I suggest to my hon. Friend the Minister that we need to consider that as the Bill takes its form.

Chris Skidmore (Kingswood) (Con): Does my hon. Friend agree that academies take more than their fair share of SEN pupils? In fact, many academies are keen to do so as part of their funding agreement. Many educational charities that want to set up academies—I am sure many more will want to do so as a result of the Bill—have a special interest in looking after pupils with special educational needs. The divide that has been drawn between the academy and the local authority is a bit artificial. Some Opposition Members see the local authority as somehow the protector of pupils with SEN and academies as their opponents, but that is wrong. Academies are there to strengthen and support SEN as part of the process of inclusion that the hon. Member for Gedling (Vernon Coaker) mentioned. Does my hon. Friend agree?

Neil Carmichael: I certainly do. My hon. Friend is absolutely right that academies' record in that regard is good so far. We know that because there are more than 200 of them and we can see the provision that is being delivered.

Mr Ward: May I follow up on the point that the hon. Member for Kingswood (Chris Skidmore) made? I have heard discussions several times over the past day or two about whether academies are inclusive, both in the number of free school meal pupils that they have and in SEN provision. The point has been made that they have a higher than average proportion of children who get free school meals or SEN provision, because of the communities that they serve. However, the evidence is that over time that proportion goes down. The danger is that because—no, I will sit down, because I am getting into a speech now; I am learning.

Neil Carmichael: I am not sure whether it was a speech, but the point is interesting and we should look into it. Of course, the Minister has already promised a Green Paper on the wider issue of SEN, so we should discuss that matter. I thank the hon. Gentleman for a point well made, but I believe that thus far, academies are delivering proper provision.

This matter has already been discussed in the House of Lords, and Baroness Wilkins, in an effective performance, produced two changes to the Bill. One is that the Secretary of State can intervene if special educational needs are not properly provided for. That is a sensible step and a provision that is broadly welcomed.

Ian Mearns: A cumbersome aspect of that is that the Secretary of State's office could be inundated with individual cases of parents who feel that the special educational needs provision for their child has not been tackled effectively.

Neil Carmichael: That is also an interesting point, for which I thank the hon. Gentleman.

The Bill is essentially a good measure. It provides for more academies, and we support that because we believe that good leadership, good management, flexibility and less intrusion from local authorities will deliver a higher standard of education. Of course, that must include provision for special educational needs.

We have been promised a Green Paper on special educational needs. The time to discuss the subject is when that is published. A constant theme of the past two or three hours has been the lack of satisfactory provision for special educational needs throughout the country. There are pockets where it is not good enough and delivery that needs to be improved. As long as that is the case, we cannot be satisfied, and we must therefore endeavour to improve the overall provision for special educational needs.

Mr Graham Stuart: It is a pleasure to participate in the debate. It was also a pleasure to hear the maiden speeches of my hon. Friends the Members for Penrith and The Border (Rory Stewart) and for South Basildon and East Thurrock (Stephen Metcalfe). Both spoke in a fine fashion, and they will be an adornment to not only their constituencies but the House.

I want to start on the most positive note that I can. I think that we all agree that the current system for dealing with special educational needs is not appropriate. The—I used the word yesterday—"pushiest" parents, certainly the most articulate, are best able to get their children statemented and their needs recognised. That is the current system, and people realise that it is not good enough. We heard from the hon. Member for North West Durham (Pat Glass), in another excellent contribution based on her years of experience, her explanation of the difficulties. The current system is broken.

The Minister has promised a Green Paper in the autumn to look at the whole subject of special educational needs. At that time, I hope that the House will have more time to reflect on, consider and possibly improve the policy. Rushing policy making does not always help, particularly when dealing with low incidence SEN or something that is on the margins of the mainstream. Although there are so many children with SEN, it remains to be tackled.

I do not support amendment 71, but I think that it may be looking for an explanation from the Minister of how the system will work. The hon. Member for North West Durham, who will be an excellent Member of the House and an excellent member of the Select Committee, talked about priorities. That brings me to my favourite topic when dealing with public service reform: incentives. Too often, we reorganise the system without fully understanding the incentives that are in place for the various players in it. We deserve an explanation from the Minister. Given his ability, I know that we will get it. I want to hear how precisely the incentives will work for schools that at times resist parents who are trying to do the best for their children, to the extent that only parents with the nous, money and self-confidence can challenge them and get their child statemented. What happens to the others? I want to hear how the system will work so that, following the changes, it does not become worse. There is nothing obvious in the Bill to make it worse, but I want a cohesive narrative from the Minister about how the system will be better even

before the Green Paper is produced. I want to be assured that it cannot possibly get worse. We cannot have more parents in that position.

People come to us, as constituency MPs, about all sorts of topics. I can think of many constituents who are particularly articulate, well educated and well placed, and who have relatives and friends in good positions, yet they are still endlessly and unjustly frustrated by a system that can often seem unbelievably resistant to doing the right thing.

5.30 pm

Whenever I meet those people and try to help them—sometimes successfully, sometimes not—I reflect on the people who do not have their self-confidence, education and ability. It is therefore incumbent on us to ensure that legislation creates something that will be more just, not less. We need to hear that from the Minister, as I know we will. I wish we had more time to reflect on the Bill, and that members of the Education Committee from both sides of the House and others were in a better position to improve the Bill, but we are where we are.

The hon. Member for North West Durham talked about the hard-end drift—perhaps it will be called the "Glass drift"—and said that even when money goes in, it somehow drifts away. That must be because of the pressures within the system: the way human beings work—those who do the jobs that she did in the past, parents and people in schools—leads to money not going where people want it to go. It is therefore not enough for Ministers to wish the right outcomes—all hon. Members wish the right outcomes. Rather, they must show that they understand the engineering of the system sufficiently to deliver them. We are dealing with the most vulnerable of our children, and we cannot have an already bad situation made worse inadvertently by Ministers in a hurry who do not have sufficient explanations. I am sure that that is not the case, but I would hate to think it was. We should not be blinded by the desire to appear to be acting if we are doing the wrong thing.

Ian Mearns: Having worked in the system and taken a number of cases to education appeals panels, I have often seen a situation in which council officers think they are doing the right thing by the system by refusing parents what they want, because they believe that other provision is nearly as good but less costly. Does the Chair of Education Committee accept that if parents want provision that costs tens of thousands of pounds a year, allowing that provision incurs an opportunity cost to the system and other children within it?

Mr Stuart: There is always an opportunity cost and people always have to make judgment calls. We need to know who makes those calls, what the pressures on them and their incentives are, and their accountability. It all comes down to that, and understanding what the accountability mechanisms will be if there is a much-increased number of free academies.

Mr Hayes: Rather than waiting till I sum up, may I deal with that point head-on now? My hon. Friend, as Chair of the Education Committee, clearly has an entitlement to ask such penetrating questions—indeed, we expect him to do so—so let me be clear. The Secretary of State would decide whether appropriate provision had been made. If not, he would either direct the local authority to make it, or in exceptional circumstances, ask an alternative body to do so. The funding for such provision in the latter case would come in the first instance from the Department for Education, which would then consider how to ensure that funding in the longer term prevails. That is an absolute assurance that the Government take my hon. Friend's point seriously: those powers rest with the Secretary of State.

Mr Stuart: I am grateful to the Minister for that explanation. I assume that in reality, the "Secretary of State" means the Young People's Learning Agency. My understanding is that the systems, embryonic as they are, are probably not as good as they ought to be, and I assume that YPLA officers representing the Secretary of State will do that work. I understand and accept the Minister's reassurance, and I think the Bill has been improved, but I am trying to work out how the pressures and incentives will work to ensure that the school admits fairly and looks after SEN children in the appropriate way when the decision gets all the way down to the school, the parent and the local authority officer, who is quite a long way away from the YPLA officer. I am struggling to imagine what will happen at that level and to think that all the way through.

Mr Hayes: My hon. Friend underestimates himself: I have a very high regard for his imagination.

Mr Stuart: I am grateful for the Minister's compliment, which was not flattery—if I had said that it was, he would have corrected me.

One of the issues in this Bill, which the amendment seeks to draw out, is the system-wide implications of a growing number of schools—including free schools and existing schools—becoming independent and taking away money currently spent on their behalf by the local authority. Those of us of a supply-side revolution, 1980s, turning the sick man of Europe around disposition naturally think that things will regrow and they can be better directed by people closer to the front line. However, we need an explanation, because schools are not businesses and we need to understand how it will work.

I wish to chide the Minister gently, although he may not have been responsible, because the place that one would naturally look for that explanation—it may be a by-product of the last Government's approach—is the equalities impact assessment. At the risk of upsetting my right hon. and hon. Friends, I would criticise the hon. Member for Gedling (Vernon Coaker)—I will pronounce his constituency correctly—because in many ways he has been too gentle about the equalities impact assessment in the last couple of days. I think it is less adequate than he has made it out to be.

The equalities impact assessment is rather thin. It provides fair information, but it tries to put the best gloss on that information. Given that this is an important document to accompany a flagship Bill, I would not expect paragraph 22 to be repeated, in its entirety, as paragraph 24. I would not expect paragraph 23, which is quite long, to be split and repeated in its entirety as paragraphs 25 and 26. It would suggest that someone has not even bothered to read this so-called important

[Mr Graham Stuart]

equalities impact assessment. At the end, I was waiting for an assessment of the system-wide impact and the long-term and profound implication of having lots of free schools. But when I got there I found paragraph 31, which states:

"We believe that the Academies programme is already working towards promoting inclusion and equality to the benefit of all pupils in the programme. An adverse impact is unlikely".

Well, thank you very much. That is not an adequate explanation of the possible system-wide impacts of this Bill.

I know that we will have a master class and a tour de force explanation from the Minister on the system-wide impact and why the Bill will work, but the impact assessment is inadequate. I meant to be gentler about this than I have been—I have a tendency to overstatement—and I apologise to the Minister. But I wish that the impact assessment had been a better document and included more recognition of the potential system-wide impacts, especially on marginal areas—if I may call them that—such as SEN.

Gavin Barwell: I will keep my remarks brief as I am conscious of the time and that the Committee wishes to hear the Minister's reply. I pay tribute to the hon. Member for North West Durham (Pat Glass), who made an exceptional speech. She brings real expertise in this area to the House and I am sure that we will benefit from that in the months and years ahead. I also pay tribute to the hon. Member for Gedling (Vernon Coaker). Both yesterday and today he has approached these proceedings in a much more conciliatory tone than the right hon. Member for Morley and Outwood (Ed Balls) did on Second Reading. That may reflect the difference between Second Reading and Committee stage, or it may reflect the difference in their personalities, but it is certainly appreciated on this side of the Committee.

I disagreed with the hon. Gentleman on whether primary schools should be allowed to be academies and whether surplus places would be a ban on academy status. However, he is right to bring the issue of special educational needs up today. I imagine that all hon. Members have received a briefing from the Special Educational Consortium, which tells us that 21% of children have some form of SEN and that 12% of children with SEN achieve five grade A* to C passes at GCSE, compared to 57% of their peers. That shows the importance of getting this issue right—not just for the children with SEN, but because if we do not get it right there will be an impact on other children in the mainstream setting. The likely impact of this policy on children with SEN is therefore a key test. I am not sure whether the amendment addresses some of the concerns that he raised in his speech, but he is right to ask for some more detailed clarification, particularly in the light of the important amendments that came through on Report and Third Reading in the House of Lords.

It is worth briefly putting on the record the improvements that the Government have already made by ensuring that for the first time academies will have the same SEN obligations as maintained schools. I also want to mention the improvement that I referred to in an intervention that the hon. Gentleman kindly took, which is that the new model funding arrangement now provides that the Secretary of State can direct academies to comply with any obligations relating to SEN. Although the new agreement will not apply to existing academies, hopefully many of them will choose to convert to it, given that in other ways it will provide more freedoms. Over time, therefore, the new agreement might spread.

The core of the objections and concerns raised relates to what will happen if many more schools become academies and the pressures that that will put on services provided by local authorities. Yesterday, the hon. Gentleman expressed concern about the scale of the changes—he used the phrase, "opening the flood gates"—although Ministers have provided reassurances on the pace at which they think things are likely to proceed. However, many of the same issues arise over the role of local authorities in school improvement. For example, my council provides a very good school improvement service, which I hope schools will still want to buy into when they become academies.

I want to make three more quick points. First, the requirement for academies to have the same obligations as maintained schools is not in the Bill, but will be in the funding agreements, which means that parents who think that academies are not fulfilling those obligations will need to go to the Secretary of State, I presume, if they have a problem, rather than resort to the law. Not to have to resort to the legal route, but to go to the Secretary of State, might actually be an advantage to parents. However, as the hon. Member for North West Durham said, we should think about this from a parent's perspective, so it would be helpful if the Minister could provide more guidance on how that complaints procedure would work. What does a parent do if they have a child in an academy that they think is not meeting their child's SEN needs? What is the process for making a complaint?

My second point is one that has already been made—it is about the Opposition amendment passed on Third Reading in the Lords on protecting low incidence SEN services. The point made by the hon. Member for Gedling about the need to define exactly what those services are was spot on. It is really important that we get a clear definition, either today or on Monday, as the Bill goes through this House.

My final point concerns children receiving central SEN services. Children with high levels of need will tend to have statements, so the idea that the money follows the pupil and goes to the schools is very important. In my constituency, we have a school called Addington high, which has an excellent unit for children with autism, and most of the children there will have a statement. It is right, therefore, that the money goes to the school, but clearly, as some of my hon. Friends have said, where local authorities are providing services, much will depend on the value that schools place on those services. If they are good services and the local authority is doing a good job, it seems likely that any academy that takes over will want to purchase those services.

The hon. Member for Gedling was right to raise the issues before us, because further clarity is required in certain areas. However, I do not support the amendment, because I am not sure that it directly addresses some of his points. I very much look forward to hearing the Minister's winding-up speech.

Guy Opperman (Hexham) (Con): I will be brief as well. Many would have liked to speak in this debate, but time is short. I pay tribute to today's maiden speeches, particularly that of my neighbour, my hon. Friend the Member for Penrith and The Border (Rory Stewart). Together, the two of us represent 2,500 square miles—it would cover several countries. He has walked across his, I have attempted to ride across mine, and I can assure hon. Members that I prefer my form of transport. Anyway, he is making great steps and it is great to have him as my neighbour. I also pay tribute to the hon. Member for North West Durham (Pat Glass), who is also my neighbour—we cover so much of the north! She and I have worked for many years in special educational needs, and she spoke eloquently and with great force about the issues.

I look at things from a different angle, having represented local authorities and individual applicants for some 15 to 20 years in special educational needs tribunals and SENDISTs—special educational needs and disability tribunals. I have seen all manner of proposals put forward. In particular, I have represented the Hillingdon association of secondary heads, which is known by the acronym HASH, which is appropriate for all the 1960s head teachers.

5.45 pm

I want to make three points. First, I welcome the fact that the Minister indicated at the outset that the code of practice would be revised and, as I understood it, that that would be legislated for in this House. I hope that that will take place in September, or at the earlier possible opportunity, because the whole problem with this debate is that, as far as an assessment of special educational needs is concerned, there is a parallel process. In that respect, I urge hon. Members to read the comments of Lord Baker of Dorking, who said in another place:

> "What is left for the LEA to do...? I will be even more ambitious...about special education, because I think that it is the one role that should be left quite specifically to LEAs."—[*Official Report, House of Lords,* 7 June 2010; Vol. 719, c. 519.]

The proposal at present is that the LEA will not be taking over, and that the matter will go first to the Young People's Learning Agency and then, in theory, to the Secretary of State.

Pat Glass: No doubt the Minister will confirm this for me, but I understand that the YPLA is the rump of what was the Learning and Skills Council. If that is the case, does the hon. Gentleman share my concerns about that? I am not aware that the Learning and Skills Council has the level of SEN expertise needed to deliver on some of the things that we are discussing.

Guy Opperman: I hesitate to say that I agree absolutely, but I have great sympathy with the hon. Lady's argument, because the local education authority will have all the educational psychologists and other areas of expertise that are required in these processes. I would question whether the alternative provision exists; indeed, I would go further than that. Everyone who has done a SENDIST case, running it through the myriad reports, will know the tremendous difficulty that exists in obtaining the right level of reports and presentation to push the thing forward. I would suggest that if people have to go to the Secretary of State, things will take much longer and be much more complicated. I return to the point that this is not me rebelling; I am just saying that the assertions of the founder of all these kinds of reforms—Lord Baker of Dorking—was clear at the outset of this process that we should keep it very simple and put the matter to the LEA, because it will be best capable of dealing with it.

I accept what the Minister said when clarifying the point approximately 15 minutes ago. He said that there is always a duty to ensure that the needs are met. That is entirely true, but anybody who does SENDIST work will know that there is a parallel duty to perform with the financial resources available. The complication is that there are genuine concerns that the financial resources will not necessarily be available in the processes that are being proposed. That particularly applies where there are special educational needs in more rural areas such as mine, where we have 1,200 square miles to cover, catchment areas the size of the M25 and an ability to provide for those needs, along with the necessary rural transport. However, I have not heard sufficient clarification that those rural transport needs will be accommodated as part of the Bill.

Briefly, let me finish by saying that I do not support the amendment, but I hope that we will receive a great deal of further explanation.

Mr Hayes: We have had a long and interesting debate on this subject, have we not, Mr Evans? It has been a good-natured debate too, with high-quality contributions by hon. Members from across the Committee, who have drawn on their extensive experience and expertise. I defer to those hon. Members who have that professional expertise—expertise that they have been able to articulate today in a way that has shown the House and this Committee at its best, as was made clear in his generous contribution by the hon. Member for Gedling (Vernon Coaker), who I can confirm is a stallion, by the way. [Hon. Members: "How do you know?"] Because I have known him for a very long time, and I know that his reputation precedes him.

On the subject of my friends on the Opposition Benches, I count the hon. Member for Hartlepool (Mr Wright) as a friend, and I have not yet had the chance to congratulate his daughter, Hattie, on her eighth birthday yesterday. I shall do so now, because I want to get it into *Hansard*. In addition, I want to mention that he has a number of other children and I hope that they enjoy "Toy Story 3" when they go to see it on Sunday. Moving on! Time is short.

The amendment would have the effect that, before making any payments under an academy agreement, the Secretary of State would have to assess the impact on local authority-funded SEN services of a new academy or an academy conversion before deciding funding levels for such academies. I had thought that I would have to speak for longer on this subject in order to cover it in considerable detail. I have before me the Balfour Act and the Education Act 1944, along with every other significant education Act at my disposal. It is a sad fact that I will not be able to draw on them, but in the few remarks that I will make, I shall try to answer the salient questions posed by hon. Members.

The hon. Member for North West Durham (Pat Glass) said that there was no definition of special educational needs. They are, however, defined in some detail in

[Mr Hayes]

section 312 of the Education Act 1996. I will not go into those details now, but the Bill will not change them at all; that definition will remain in place and it is important.

The hon. Member for Portsmouth South (Mr Hancock) spoke about autism, and—I say this from the heart—gave a rather moving account of his experience of parents dealing with the challenges of special educational needs. Academies will be under the same obligations as other schools in respect of special educational needs. As I said to him earlier, academies are already providing evidence that they are looking at these matters with appropriate diligence. The Haberdashers' Aske's Hatcham College academy has an autism unit, for example, of which other schools are taking advantage. However, I heard what the hon. Gentleman said today, and we will ensure in our study of special educational needs in the Green Paper that autism receives the particular attention it deserves. I have worked closely with the Lincolnshire Autistic Society, and I know of the good work done by that society and others. The hon. Gentleman has done a service to the House by raising that matter today.

My hon. Friend the Member for Mid Derbyshire (Pauline Latham) asked two specific questions. Yes, although we intend to convert special schools into academies, we understand that that will need to be done on a considered and measured basis. We need to do work on the issue of funding in particular, and we will do so before the conversions take place. She also asked about the role of the health service in respect of children and young people with SEN. Primary care trusts contribute to the costs of individual placements as well as supporting pupils. Their responsibility is to the whole population, however, so that funding should be unaffected. The costs of non-maintained special schools remain with the local authority, and none of that budget will be transferred to the academies.

My hon. Friend the Member for Beverley and Holderness (Mr Stuart), the Chairman of the Select Committee, asked a number of questions. I have dealt with the question of the Secretary of State's responsibilities. I can confirm that, as he suggested, the YPLA will be instrumental in ensuring that those responsibilities are carried out. A number of hon. Members asked how a parent could complain if an academy did not meet a child's special educational needs. That was a theme that emerged implicitly throughout the debate.

Let me make it clear. An academy must have a clear complaints process, and a parent who wished to complain would have to be dealt with in line with that process. If that complaint were not satisfied, the YPLA would enforce the obligations in the funding agreement. If that does not prove satisfactory, a complaint about the YPLA can be directed to the Secretary of State, who will enforce those obligations in the courts if necessary.

My hon. Friend the Member for Hexham (Guy Opperman) made a number of points about parents who, he said, would not have the wherewithal required. He said that these things were all very well in theory. I spoke earlier about redistributing advantage in society. I am very conscious of the need for us to get the statementing process right, given how often it disadvantages parents in that position.

My hon. Friend the Member for Bognor Regis and Littlehampton (Mr Gibb), the Minister of State, Department for Education—with whom I have worked hand in glove in the House for many years—will be looking closely at the whole issue of statementing. We understand some of the concern that has been expressed. It is crucial for parents of the kind described by my hon. Friend the Member for Hexham to be dealt with appropriately, fairly and reasonably, rather than being bemused and bewildered by a process that is bureaucratic and insensitive to their circumstances.

The amendment raises issues similar to those that were raised in another place. As Members have pointed out, the main issue is the fear that an increasing number of academy conversions will render local education authorities unable to maintain the level of centrally funded services that they currently offer. That fear is not without grounds, and I entirely agree that we must consider it. I am also convinced, however, that we will have time in which to do so. The number of schools that will convert in September will not be large enough to have a significant impact on local authority services.

I see the hon. Member for Gedling egging me on, stallion-like, but I have a number of other things to say which I hope will satisfy him.

Of course some local authorities already have a majority of secondary schools as academies. Those academies were approved by the last Government, who funded academies in the same way as the current Government intend to fund them. However, we also intend to review funding from 2011 onwards. We will be working closely with local authorities and other partners, and I can confirm that we will give specific consideration to the funding of SEN services. That consideration will be in addition to the Green Paper that I mentioned earlier. The work will take place over the autumn, and as my noble Friend Lord Hill, the Under-Secretary of State for Schools, said yesterday, we have instructed officials to ensure that the Special Educational Consortium is involved in the work.

We are committed to ensuring that children with special needs in both the maintained and the academy sectors receive the services that they require and, indeed, deserve. My commitment to children with special educational needs stretches a long way back. As a member of the Government, I will do nothing that would act to their detriment, and we as a Government will do nothing in respect of the academies programme that would disadvantage them or the people who care for them in any way. I am pleased to be able to put that on the record.

Barry Gardiner (Brent North) (Lab): I am sure that the whole Committee will welcome the Minister's assurance, but he also mentioned a review of funding in 2011. Can he tell us what impact that might have on the commitment in the Bill that the funding agreement will last for at least seven years? How will the two interact?

Mr Hayes: The hon. Gentleman should bear in mind what I said a moment ago. We would not expect special schools to be in the first tranche of academies, and we will review the funding before those schools become academies. That is entirely consistent with the Bill. We hope that when the schools have become academies the arrangements will be in place, and the seven-year period will kick in after that.

We have also set up an advisory group to help us to work through, in particular, issues relating to SEN and special schools. It is because we want to use the practical

expertise in the sector that the group includes heads and governors from special schools—including the non-maintained sector—and mainstream schools with specialist units, as well as local authority representation at officer and political level. As Lord Hill said in another place, the Government undertake to monitor the impact of the increasing number of academies on local authority SEN services and will continue to work with local authorities to ensure that adjustments to their funding with respect to the academies properly reflect their changing responsibilities. Make no mistake: local authorities will continue to have key responsibilities in respect of SEN, including their responsibility to statement children. We intend to ensure that that is properly funded.

6 pm

Officials will also be working with organisations such as the National Sensory Impairment Partnership on this matter. Where particular issues arise, I hope to reassure Members by committing to consider very carefully the local authority representations that I have just mentioned and, indeed, the contributions from both sides of the House during the Committee. I entirely understand what the hon. Member for Gedling said about Bills being improved by Ministers listening closely and carefully to Members of this House and that is very much the spirit that imbues this coalition Government.

We will commit to making adjustments to local authority funding arrangements to ensure fairness; for example, local authorities can ask us to take account of SEN units housed in maintained schools so that funding for such units does not form part of the resources distributed to academies. That point was also raised by the hon. Member for Gedling.

Members will be aware that an amendment was made in the other place to provide safeguards—indeed, the hon. Member for Gedling has referred to it repeatedly both today and yesterday—for the provision of children with SEN. I can confirm that we have accepted the amendment and that we intend to take the necessary steps to ensure that SEN children are protected as the noble Lords intended.

On the other questions that I have not yet answered in this all too short peroration—I am not suggesting for a minute that all questions do not deserve an answer—*[Interruption.]* I can hear what the hon. Member for Hartlepool (Mr Wright) is saying. I described him earlier as my friend; he is now paying me back.

The hon. Member for Gedling asked about the definition of low incidence SEN. The Department has commissioned a report on low incidence needs and the project specification lists definitions. We are determined to ensure that the new provisions in the Bill are reflected in the SEN code of practice, which has always been a fundamental part of implementing policy.

The hon. Gentleman also referred to looked-after children. Funding for looked-after children is, as he knows, the responsibility of the education authority, and funding for educational psychologists too remains with the local authority and does not transfer to the academy. Both are outside the schools budget. I accept entirely the point about the need to retain the quality and quantity of peripatetic services. I am confident that academies will purchase those services and will face up to the responsibilities that Members across the House have made clear are so close to the intentions of those who value the role of teachers, respect the wishes of parents and regard seriously the needs of special needs children.

The admissions code requires all schools, including academies, to give priority to looked-after children when making decisions as to which children to admit. That does not change as a result of the Bill. I can commit today to including within the academy model funding agreement a requirement for all academies to have a designated teacher with responsibility for looked-after children. That comes as a result of overtures made outside the House and of the comments made from both sides within the House. The law relating to governing bodies' obligations relating to SEN is in part IV of the Education Act 1996. The code of practice must also be taken into account. The academy funding agreement applies these obligations to academies, and we are absolutely sure and certain that that will not change. The hon. Member for Gedling also raised issues about how these things will develop over time. Of course it is true that we will need to consider how they develop and what changes will need to be made as a result.

Let me conclude, however, because I do not want to delay the House too long. I do not want to stretch your indulgence to its famous but limited degree, Mr Evans, and I do not want to go further than my colleagues would wish in making these immensely generous concessions to the hon. Gentleman, but none the less I want to say the following. I have enjoyed the debate not merely because it has been a good example of Parliament in action, but because it has highlighted the very wide measure of agreement that exists between those on the Front Benches and throughout the Chamber about the significance of special needs provision and the importance of maintaining it. The Government are absolutely determined to do that in the interests of special needs children and their parents, whatever structures we put in place.

On that basis I assume that because we have been so reasonable and generous, the hon. Gentleman will rush to his feet in a moment and beg to ask leave to withdraw his amendment.

Vernon Coaker: I agree very much with the Minister that this has been an excellent, high-quality debate. There were many contributions, and may I begin by apologising to the hon. Member for South Basildon and East Thurrock (Stephen Metcalfe) for not being present for his maiden speech? I understand, however, that it was excellent, and I am sure he will be a worthy replacement for a friend of ours, Angela Smith. I wish him well in Parliament, and we look forward to hearing further contributions from him.

I was not quite sure whether the contribution of the hon. Member for Penrith and The Border (Rory Stewart) was a second maiden speech or a maiden, but although he did not agree with me, I still thought it was a reasonable speech, if that makes sense. *[Interruption.]* No, I say in all sincerity that it was a good speech. Tribute was paid to his predecessor, David Maclean, by the hon. Member for Portsmouth South (Mr Hancock), and we all had great admiration for the way in which he battled against some of the difficulties he faced. I am sure the new hon. Member for Penrith and The Border will be a worthy addition to the House and I wish him well.

[Vernon Coaker]

I want to pay tribute to some of the other speeches made, particularly that by my hon. Friend the Member for North West Durham (Pat Glass). Many Members have paid tribute to her contribution. Her speech was not only very well informed, but very moving. The power of the stories that Members can bring to the House from our experience as professionals outside it makes a huge difference, and there was great credibility in what she said and we all learned from her remarks. I am sure we will continue to benefit from her contributions as she pursues her parliamentary career. I also thank the hon. Member for Croydon Central (Gavin Barwell) for his generous remarks about my approach and for the conversations we have had about many of the matters we have been discussing today.

I am also very grateful to the Minister for his reply. It is clear that the Government are thinking of making a number of significant changes—I do not want to use the word "concessions" as that makes it sound as if there was a battle—on the issue under discussion as a consequence not only of this debate, but of contributions outside the Chamber. I have to say that some of the concessions—the changes—that are now being made ought to have been made before. I am not trying to be churlish; I am saying that because these are such important matters. As the Chair of the Select Committee said, the evidence base for the Bill—the impact assessment and the equalities impact assessment—really is not good enough, given the Bill's importance. These are essential documents that go alongside a Government Bill. I say to the Minister and his colleagues that they are extremely important documents because they are the evidence base on which Government legislation is supposed to be based. The Chair of the Select Committee was harsher than I was, but I must say that those documents did leave quite a bit to be desired.

We are all pleased to hear about the Green Paper, the welcome review of SEN funding for academies, and the Minister's commitment to examine the role of local authorities and to ensure that their role is properly recognised in the system as things progress. There was also a specific recognition of one of the points raised. I am not saying that this happened because of the point I raised, but I did say that the model funding agreement that had been published did not contain a requirement for a teacher in the academies to be responsible for children in care, and the Minister responded by saying that that will be changed. That, too, is very welcome.

It would be churlish of me not to say that significant change has been made as we have progressed through our consideration of the Bill, and that is very welcome. The amendment seeks to push the Government to recognise that important problems remain in how this structure has been set up. The definition of low incidence SEN and low incidence disability is fundamental to the Bill, but we are passing a piece of legislation that contains no definition of that.

As Members from across the House have said, that is a recipe for confusion, litigation and lawyers, because how is a local authority, an academy or whoever supposed to know whether they are meeting the requirements of the legislation, given that we currently have no criteria for determining that? I know that the Minister has given a commitment for this to be contained in codes of practice and in other places. In the spirit of trying to be helpful, may I say that it is essential that that kind of clarity is provided in respect of legislation, particularly with something that is such a key part of the Bill? I know that he will take that on board and take it forward.

The Minister has tried to address the other aspect of what our amendment was trying to ensure, but confusion remains as to what the funding will mean for individual schools and what it will mean for the amount of funding that is left for local authorities in terms of that central provision, which will be essential. Confusion also remains about the co-ordinating role in order to ensure that all of our young people get the support that they need. How the Secretary of State is supposed to do that from the centre right down to school level is a real problem, given that the Young People's Learning Agency is supposed to be the vehicle by which academies are held to account. The YPLA is a new body, and it has no experience of dealing with special needs or of this provision. So to rely upon it as the vehicle or body that will try to ensure that the Secretary of State is informed about whether an academy is appropriately using the money that it gets to support children with SEN is simply a wish rather than something that the Government have evidence to demonstrate will actually work.

This has been a hugely important debate, and the Government have made some significant concessions. It is a shame that we cannot amend the Bill to give it the legislative and statutory force necessary to give all of us the reassurance that we need. However, given the Minister's concessions, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 2 ordered to stand part of the Bill.

Clause 7

Transfer of school surpluses

Mr Iain Wright (Hartlepool) (Lab): I beg to move amendment 61, page 5, line 22, leave out from 'proprietor' to end of line 23 and insert 'to appeal to a Local Commissioner'.

The First Deputy Chairman: With this it will be convenient to discuss the following: amendment 62, page 5, line 25, leave out 'review' and insert 'appeal'.

Amendment 63, page 5, line 26, leave out 'review' and insert 'appeal'.

Amendment 64, page 5, line 43, at end insert—

> '"Local Commissioner" has the meaning given by section 23 of the Local Government Act 1974.'.

6.15 pm

Mr Wright: I begin by paying tribute to the Minister of State, Department for Business, Innovation and Skills, my hon. Friend the Member for South Holland and The Deepings (Mr Hayes). I class him as a good friend. He is a kind and courteous man and I am sure that my daughter Hattie will be very pleased that she has been mentioned in the House again. He is more than welcome to join us for "Toy Story 3"—indeed, I see him as the Buzz Lightyear of the coalition Government. To infinity and beyond!

May I clarify a point made by my hon. Friend the Member for Gateshead (Ian Mearns), who was in the Chamber assiduously this afternoon, until I got up, when he left? He mentioned that his area produces angels, and in many respects he is right—Gateshead is a fantastic place—but I think that he was referring to the angel of the north, which is a strong and proud icon of our region of the north-east, and I should point out to the Committee that the angel of the north was fabricated in Hartlepool. That is an important point.

I shall be brief, because there is not a lot of time left and there is a lot of work still to do. It was very important that we had considerable debates on Building Schools for the Future and on special educational needs. Clause 7 requires that where the Secretary of State approves a maintained school's application to become an academy, the local authority must determine whether, immediately before the conversion date, the school has a surplus and, if so, the amount of the surplus. Once that is done, the local authority must pay the surplus over to the proprietor of the academy.

Subsection (4) states that regulations may be brought forward on how the payment of any identified surplus could be made and subsection (5) lists what those regulations can include. An important part of those regulations would be the manner in which the proprietor of the academy can apply to the Secretary of State for a review of the determinations. I argued in Committee last night that the nature of the Bill is to force schools to consider that their most important relationship is not with local parents or pupils but with the Secretary of State.

This is a centralising Bill that concentrates power and decisions into the office of the Secretary of State. The Opposition think that there should be more independence from Whitehall and more power for local people, which could include the proprietor of the academy. On that basis, amendment 61 would replace the idea of the proprietor going directly to the Secretary of State to ask for a review and allow the owner of the new academy to appeal to a local commissioner.

Amendment 64 would make it clear that the term "local commissioner" has the same meaning as that given by section 23 of the Local Government Act 1974, which essentially means the local government ombudsman. That is a well-recognised route for conducting investigations into local matters and gives a degree of impartiality and independence because the local commissioners are appointed by the Secretary of State for Communities and Local Government. We think that the Secretary of State for Education, under the provisions in the Bill, is responsible for a number of things, namely entering into an academy arrangement, making an academy order and reviewing the transfer of school circumstances among other things. There does not seem to be any effective challenge to the single authority of the Secretary of State, which is one reason why we have tabled the amendments.

The inclusion of the word "review" is also somewhat vague and does not give reassurance and confidence to the proprietor of the academy, or to anybody else for that matter, that a proper procedure will be followed. Amendments 62 and 63 would strengthen the wording of the Bill by leaving out the word "review" and inserting the word "appeal", which gives a sense, in our opinion, that a proper and transparent process must be adhered to. The amendments would not increase any bureaucratic burden on any interested party, but they would provide a degree of certainty and reassurance for stakeholders, particularly the proprietor of the new academy. For that reason, I am interested to hear what the Minister has to say about the amendments, and I commend them to the Committee.

The Parliamentary Under-Secretary of State for Education (Tim Loughton): It is a pleasure to participate in this debate. These four amendments have been grouped together because they concern the appeal procedure. It is our policy that a maintained school that converts to academy status should take with it any funds that it has accumulated in previous years. I do not think that that is news to the shadow Minister. Schools might have earmarked such funds for particular purposes and we would not want them to be prevented from carrying out their plans as a consequence of their conversion to academy status. The Bill therefore makes provision for that and for an academy to appeal to the Secretary of State, as we see fit, where it believes that the local authority has wrongly calculated the appropriate amount.

The Opposition's amendments would change the whole appeal process so that the academy would appeal to the local government ombudsman rather than the Secretary of State. I think the shadow Minister characterised the measure as being centralising rather than localising, but we do not believe that what the Opposition suggest is appropriate. We have published draft regulations to enable hon. Members to see the Government's intentions in this regard. The draft regulations state that the local authority would have to determine, within three months of the conversion date, whether the school had a surplus immediately prior to the conversion date and, if so, the level of that surplus. That is consistent with the usual period for finalising local authority accounts at the end of the financial year and should give sufficient time to calculate accruals and commitments accurately. If the academy's proprietor did not agree with the determination, they would have one month from being informed of the determination to apply to the Secretary of State for a review. On receiving such an application, the Secretary of State would have three months in which to determine whether the school had a surplus and, if so, the amount of that surplus, and to inform the academy's proprietor and the local authority of those determinations.

If there has been a review, the local authority must pay over any surplus within a month of being informed of the Secretary of State's determination. If there is no review, the authority would have to pay over any surplus within one month of either the proprietor informing the authority that they agreed with the determination or at the end of the period in which the proprietor may apply for review—whichever is earlier. That is very clear.

Mr Wright: Will the Minister clarify something? If a decision is made by the Secretary of State following a review, would the proprietor of the academy have a right to appeal that decision?

Tim Loughton: If the hon. Gentleman bears with me, there is a further explanation that might satisfy him.

Decisions regarding financial disputes of this kind should rest with the Secretary of State, as they do currently. The Secretary of State is responsible for making a decision when the local authority and schools forum

[Tim Loughton]

disagree about the operation of the minimum funding guarantee or about the level of central expenditure retained by the local authority in the schools budget. The Secretary of State is also able to approve additional arrangements when local authorities request to have school finance regulations disapplied and so is well used to evaluating these issues.

What is proposed would be an unnecessary extension of the role of the local government ombudsman, whose role is to deal with complaints from members of the public about local authorities rather than to deal with disputes between two publicly funded bodies about the detail of financial accounts. We do not think it appropriate for that role to lie with the ombudsman. Dealing with that sort of dispute is already an established part of the Secretary of State's role. On that basis, we do not think that the amendments are necessary and I urge the hon. Gentleman to withdraw the amendment

Mr Wright: I thank the Minister for clarifying the situation, but I still am not entirely certain about the right to appeal. If a review had taken place and the proprietor was still unhappy with the situation, would they be able to appeal again to the Secretary of State or an independent body? We have suggested that they could appeal to the local government ombudsman, but there could be other routes; we are quite flexible about that. Will the Minister clarify that?

Tim Loughton: I thought I had made this clear, but obviously I have not. The Secretary of State's decision is final, so the Secretary of State will be the final arbiter.

Mr Wright: I thank the Minister for confirming that. My fundamental concern about this aspect of the Bill remains the same, namely that it seems to be a very centralising Bill. It diverts the relationship away from a school thinking about local stakeholders, and having a good, constructive partnership and collaborative arrangement with local people, pupils, staff and so on, and towards having a direct relationship with the Secretary of State. I thought that was contrary to what the coalition Government would want to do with regard to empowering local people. In that respect, I remain unhappy.

Jeremy Corbyn (Islington North) (Lab): Is there not a problem with the lack of accountability of the Secretary of State? The Secretary of State effectively approves the transfer of funds between the local authority and the academy, in one way or another. If there is a dispute, it is resolved by the Secretary of State, who gave his approval in the first place. There is no obvious transparency in the system, as far as the Secretary of State is concerned, and it is not obvious where one goes if either party simply does not accept the Secretary of State's decision.

Mr Wright: I certainly agree with my hon. Friend. The Secretary of State has made it clear that he is keen to expand academies as quickly as possible, so he has a vested interest in making sure that that happens. Then there is the decision on the transfer of surpluses; as my hon. Friend says, the Secretary of State is the final judge and jury on that issue. There is an inherent conflict of interest between various bodies, and I am concerned about that. There is a general concern about the complete lack of consultation with local stakeholders on the provisions, and I remain concerned about that.

Tim Loughton: To respond to the point made by the hon. Member for Islington North (Jeremy Corbyn), there are many areas of schools business where the final decision will remain with the Secretary of State, and that is proper, but remember that the Secretary of State needs to have regard not just to the future and the financial viability of academies, but to the sustainability of other schools, which will continue to be administered through local education authorities. The Secretary of State is interested not just in academies, but in all schools.

Mr Wright: I thank the Minister for his contribution. I am keen for him to intervene again, because I still think that the word "review" is very vague. It does not set out in any degree what the process would be, so that the proprietor of the academy could be reassured that appropriate processes had taken place. Our amendments 62 and 63 would tighten up the language of the Bill. They would ensure that there was not a review, to use that broad, somewhat ambiguous word, but an appeal. That would help to clarify certain matters in the Bill. I would be happy for the Minister to respond further on that point.

Dan Rogerson: I am intrigued by this role reversal: the hon. Gentleman is standing up for the proprietor of the academy against the local authority in this instance. It seems a reversal of the way in which the arguments have gone throughout the day. It strikes me that we are talking about a one-off instance, not a continuing relationship. Once the decision has been made, the academy is in the area, doing things with the local community. On his point about the provisions being a centralising measure, what he describes may not happen in every case, and the measure is a one-off.

Mr Wright: The hon. Gentleman makes a fair and reasonable point. I am anxious to proceed with business; I want to put it on the record that that is one of the reasons why my hon. Friend the Member for Gedling (Vernon Coaker) and I did not press amendment 71 to a vote. I understand what the Minister is saying, but I still think that this is a centralising Bill. The comments of the hon. Member for North Cornwall (Dan Rogerson) put the matter in a wider context. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

6.30 pm

Mr Iain Wright: I beg to move amendment 76, page 5, line 34, leave out from 'time' to end of line 36 and insert 'after deducting from any amount made available by a local authority to the school's governing body (under section 50 of SSFA 1998 or otherwise) that has not been spent by the governing body or the headteacher, all existing and contingent liabilities not transferring to the Academy under a property transfer scheme (including any liabilities of the local authority incurred on behalf of the school), there is a net amount available.'.

The First Deputy Chairman: With this it will be convenient to discuss amendment 66, in clause 8, in page 6, line 22, leave out 'property, rights and liabilities' and insert 'property and rights'.

Mr Wright: As I mentioned earlier, clauses 7 and 8 are significant elements of the Bill; they change dramatically the current situation on the transfer of school surpluses and property. It is worth reiterating the point that I made about clause 7. Clause 7(2) requires that when the Secretary of State approves a maintained school's application to become an academy,

"The local authority must determine…whether, immediately before the conversion date, the school has a surplus, and…if so, the amount of that surplus."

Under clause 7(3), once that is done the local authority must pay the surplus over to the proprietor of the academy. As I said earlier, that represents a fundamental change to the current landscape, as at the moment surpluses of closing schools remain with the local authority. That includes cases in which an existing school is closed to become an academy.

A school might have built up a surplus for many reasons. Shared facilities might generate an income, for example, or a local authority or other party might have provided additional funding for work in the community and the maintained school might have been encouraged to build up a surplus to ensure that the new community facility could be built or established. That has certainly happened in my constituency, and I am sure that it has happened in other Members' as well. In Hartlepool, a sports centre has been built on the estate of a particular school, through increased funding from various sources and surpluses held by that school. The understanding is that it will be used by other schools and by community groups.

Under the terms of the Bill as it stands, in such a situation the surplus would be transferred to the new academy, and any benefit to the wider community that was originally envisaged—the original purpose of the surpluses—would be lost. What reassurances can the Minister give to ensure that that does not happen? What is the Minister doing to stop a situation in which, somewhat late in the process, a school that has built up surpluses and is anticipating the building of a new community or shared facility on its estate, following negotiations with the local authority, then decides to convert to an academy?

That could happen without real consultation, but the school would hold on to those surpluses. The issue comes back to unilateral decisions that fail to take into account the wider community and collaboration between schools and the local education authority. In essence, the amendment tries to probe the Minister by asking what checks and balances he will insert into clause 7 to ensure that such surpluses are identified as appropriate and constitute value for money.

Mr Graham Stuart: Why would a school that had built up such surpluses to provide a community facility for joint use suddenly wish to deviate from that when it sought to become an academy? I am not saying that that would be impossible, but the hon. Gentleman seems to be suggesting that it would be the norm.

Mr Wright: I am not suggesting at all that that would be the norm, but we could provide a control mechanism in the legislation on this issue, to tighten up the existing provision. We are not suggesting that the transfer of surpluses should not take place, but wider circumstances might be considered that could prove detrimental to neighbouring schools.

The whole Committee would agree with the need to see transparency and value for money in all aspects involving public money and public assets. To respond to the Chair of the Education Committee, I should say that, essentially, clause 7 moves taxpayers' money from the public sector to the private sector. What controls is the Minister proposing to ensure that that is subject to appropriate balance, scrutiny, transparency and probity?

Mr Graham Stuart: It is surely unfair to say that the clause moves resources to the private sector. We are talking about an independent state school, but it would still be a state school and not part of the private sector. Yesterday evening, the hon. Gentleman made a desperate effort to change the wording to "free market schools" rather than the wording in his amendment; that suggested more political desperation than is the norm with him.

Mr Wright: I thank the Chair of the Education Committee and I entirely understand his point. Perhaps I should moderate my language in Committee. However, the point is essentially the same: how do we ensure that local taxpayers get good value for money? Like the equalities impact assessment, the impact assessment of the Bill is somewhat vague and light on detail. It states:

"Total one-off costs incurred by schools converting to an academy are estimated to be an average £78k including VAT.

Since the VAT costs are a transfer payment from DoE to HMRC, they are not economic costs. The total economic costs per conversion to academy are therefore £66k.

However, there is scope for Academies meeting these costs from within their existing balances which could reduce the cost to DFE to as little as £25,000 per Academy."

Will the Minister outline the evidence base for this? No mention whatever is made of the transfer of surpluses in this regard. In preparing for the Bill and with regard to the impact assessment, what work has been done in relation to surpluses that could be transferred to the academy? I would be interested in any information that he could provide about that.

The purpose of amendment 76 is to address those concerns about transparency and accountability and to try to ensure that there is an appropriate process.

Dan Rogerson: I am not sure whether the hon. Gentleman intends to discuss amendment 66, which is grouped with amendment 76. I may be misreading those amendments, but as I understand it, they are contradictory, because one of them seeks to remove liability while the other seeks to offset liabilities and surpluses. What is the thinking behind that?

Mr Wright: I will come to that, but I assure the hon. Gentleman that the amendments are not contradictory—they are trying to address a similar problem and to ensure that we can resolve this issue.

Amendment 76 would ensure that all existing and contingent liabilities, including any liabilities that have been incurred on behalf of the school by the local authority, should also be considered. In this context, I take the contingent liability to mean a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more

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uncertain future events not wholly within the existing school's control. An example could be outstanding legal cases. We discussed in Committee last night the possibility of legal challenge from staff who might not have had the opportunity or the time to consider properly the TUPE arrangements of moving from a maintained school to an academy—a point that has been well articulated by my hon. Friend the Member for Blaydon (Mr Anderson). That might be considered a possible contingent liability.

Another example, which has been discussed this afternoon, could be any liabilities arising under current private finance initiative arrangements. We had an interesting debate about amendment 70, with particular regard to PFI. One of the risks is that a local authority could have a potential 25-year period of liabilities arising from PFI, and converting a maintained school to an academy means that the academy has no way of being liable for that payment over that quarter of a century. What reassurance can the Minister give in that regard?

Mr Graham Stuart: May I take the hon. Gentleman back to TUPE and the speech last night by the hon. Member for Blaydon (Mr. Anderson), who was passionate about the uncertainty that could beset many employees of schools? Will he, as the Minister did, but from his side of the House, put their minds at rest? Can he confirm that when a school converts and becomes an academy, the staff will have no reason to believe that they will have any different conditions, and that it is therefore hard to see exactly what great liabilities could be in store in that transfer?

Mr Wright: I am not suggesting that there would automatically be any sort of change or reduction in terms and conditions. However, the freedoms and flexibilities, and the movement away from national terms and conditions and pay scales, could provide a degree of anxiety for staff, particularly low-paid staff who may have given good and loyal service to the local education authority for many years. For example, staff might think that they have had insufficient time to consider what converting to an academy might mean, and therefore, in conjunction with the union, take their employer to a tribunal. Perhaps that should be considered as part of a contingent liability. We need to ensure that all possible scenarios have been considered when taking into account the transfer of surpluses.

Clause 8 allows for the transfer of other property, and amendment 66 would remove the word "liabilities" from subsection (5)(b), which refers to the apportionment of properties, rights and liabilities. In response to the point made by the hon. Member for North Cornwall (Dan Rogerson), the reasoning behind the amendment is similar to the point that I made earlier about contingent liabilities. I reiterate that there is a particular concern about arrangements such as those under the private finance initiative regarding the transfer of liabilities, and the potential for them to be apportioned between the local authority and a new academy. In a PFI arrangement with 25 years of payments still to go, we must ask how appropriate costs should be so apportioned, and the amendment is an attempt to resolve that question.

We reason that if an academy is to operate as an independent school with full autonomy and freedom from the local authority, it should be responsible for full liability under any PFI arrangement in respect of the school. That seems balanced and fair, and I ask the Minister whether he is opposed to it.

We seek reassurance from the Minister that local authorities, which will face immense financial pressures over the next few years, with enormous potential cuts and pressures from changing social circumstances such as the ageing population, will not be liable for the debts of schools that have transferred as well as having to cover the costs of central services such as payroll, human resources and other infrastructure that they were, and will be, providing to maintained schools. I hope that he can provide that reassurance, and I commend the amendments to the Committee.

Tim Loughton: I seek to provide the shadow Minister with some reassurances on the various concerns that he has raised about surpluses. I support his objective that the whole system should be transparent and properly accountable. I think he is perhaps unduly concerned, but he is right to tease out some more information through what I believe are probing amendments. I shall address them in order and then turn to his points on the PFI.

Amendment 76 would widen the definition of the surplus to take account of all liabilities not being transferred to an academy, including any liabilities that a local authority incurred on behalf of a school. In calculating the surplus, local authorities will follow normal accounting procedures and take into account expenditure in respect of which work has been done or goods received but invoices have not yet been paid. As we see the new converters as continuing schools, we will seek to ensure that local authorities are not left to fund any remaining costs that would otherwise have been charged to the school's budget—that is only fair. If a school has ongoing commitments such as an internal loan, we will expect it to continue those payments and the local authority to accept that.

For the same reason, it would not be appropriate to offset against the surplus any liabilities incurred by the local authority on behalf of the school that would not otherwise have been charged against the school's budget. We understand that closing the old school's accounts can be a lengthy process, and that authorities are concerned that they might pay over a final cash sum to the academy in accordance with the regulations, only to be left later with outstanding bills without any funding, which would not be fair.

We are drafting guidance on the calculation of surpluses, which I hope will give the hon. Gentleman the assurances he seeks. It will cover debtors and creditors, bank accounts and internal loans and is being developed with partners including the Chartered Institute of Public Finance and Accountancy. There is also a model commercial transfer agreement for adoption by the school's governing body, the academy and the local authority, which will deal with possibilities such as he described.

Mr Iain Wright: I thank the Minister for his clarification and welcome the fact that guidance will be provided. Can he give us any reassurance about the status of that guidance? Will it be, say, in secondary legislation subject to a negative resolution of the House, or will it be simply a press release on the Department's website?

Tim Loughton: I do not know. It is right for the hon. Gentleman to ask—we will give him the information as soon as possible. It is a policy matter and, in the interests of transparency and accountability, we will ensure that we keep him informed of how the guidance is being worked up, unless I am told something while I am on my feet.

We expect all those matters to be agreed between the local authority and the governing body before conversion, and for the new academy to work within that agreement. The power to make a scheme under clause 8 is a reserve power for the Secretary of State to exercise in the absence of agreement, to ensure that liabilities are appropriately covered.

6.45 pm

In a similar vein, amendment 66 attempts to remove the Secretary of State's ability in clause 8 to apportion liabilities when considering a property transfer to an academy company. To revert to the question of the hon. Member for Hartlepool, the guidance will be non-statutory.

Under clause 8, the Secretary of State has the power to make a scheme to transfer the property of a maintained school, about which an academy order has been made. The scheme may include any liabilities of the school. It may provide for their transfer to the proprietor of the academy that replaces the school, and that will be the legal entity—an academy trust—that enters into a funding agreement with the Secretary of State.

As with the agreement between academies and local authorities on the academies surplus, I expect that, in the majority of cases, property, rights and liabilities would transfer to the academy by mutual agreement, without any need for the Secretary of State's intervention, and there would not generally be any need to apportion liabilities between the school and the academy. However, that might be necessary in relation to contractual liabilities, where it would not be fair for the academy to take the burden of liabilities incurred when the school was a maintained school. A good example of that might be insurance contracts, when it would often be appropriate for the liability for personal injuries to remain with the local authority for the period before conversion, and for the academy to take them from the point of conversion, or other contracts, when it would not be fair for the academy to take responsibility for the actions of its predecessor. That is normal practice in other such arrangements.

That will depend, of course, on the circumstances of the transfer: it may be much fairer if the school is a converter by application of the governing body than if it is a new academy replacing one eligible for intervention. However, the provisions of the clause need to cater for all those situations. We think that they do.

It is important that the Secretary of State can transfer appropriate liabilities in any transfer scheme and share out existing and future liabilities in a fair way. On that basis, we do not think that the amendments are necessary.

The hon. Gentleman asked specifically about PFI. In a PFI scheme, a local authority typically enters into a contract with a PFI contractor, under which the latter agrees to build a school and keep it in good condition for 25 years, and often to provide additional services such as catering and maintenance during that period. During that 25-year period, the authority has several obligations, for example, making monthly payments to the PFI contractor and not wilfully impeding the contractor and its subcontractors in the performance of their obligations. If the authority does not comply with its obligations, the PFI contractor can claim damages and ultimately terminate the contract and receive compensation. The value of a PFI contract is typically tens or hundreds of millions of pounds. The worst case scenario, in the event of any breach of contract, is that the authority would have to compensate the PFI contractor for the full value of the contract.

How, therefore, are we handling PFI for converting schools? We will not attempt to buy schools out of a PFI contract—that could cost many millions of pounds for each school and would not represent good value for money. Instead, the school remains in the PFI contract and the Department indemnifies the local authority against any losses that it might incur as a result of any act or omission of the academy trust that now occupies the land and buildings. That indemnity is necessary because authorities do not have the power to ensure that the academy trusts will not act in such a way as places the authority in breach of the terms of the PFI contract.

Our approach ensures that local authorities are financially no better or worse off as a result of a conversion, and those arrangements are set out in legally binding agreements that need to be negotiated between the Department, the local authority and the academy trust. I hope that that gives some assurance on the hon. Gentleman's specific questions about PFI.

Mr Iain Wright: That sounds like a potential nightmare, and an awful lot of work needs to be done on it. The impact assessment mentions the negotiations between the DFE and DCLG only very briefly. What further information and clarity can the Minister give the Committee to ensure that good cross-departmental work is done so that local authorities are not penalised financially?

Tim Loughton: Such negotiations are not only between the DFE and DCLG; it is also a Treasury matter. We have had discussions involving those parties. I have heard what the hon. Gentleman has said and in ongoing discussions, we will take note of his point. However, I think he is unduly concerned. He quite rightly said that it is a complicated matter, but we have looked at the PFI scenario to ensure that there are no contingent liabilities that could queer the pitch for the authorities or academies involved. The Government believe that amendments 76 and 66 are unnecessary. It is appropriate that he has used them as probing amendments, but on the basis of those assurances, I invite him not press them to a Division.

Mr Iain Wright: The Minister has clarified many of my concerns, but some remain. This is another example and illustration of the Minister and his team legislating in haste. They may have to unravel much of the Bill in subsequent legislation in the next few months and years. I hope that he keeps the Opposition informed about discussions with his colleagues in DCLG, because I do not want local authorities to be liable for anything that could harm them financially in the next few years.

I hope that the guidance is slightly more than just that. It would have been a good idea to subject it to the negative resolution of the House. The Minister could

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have reflected over time and perhaps tabled a Government amendment on Report to that effect, but alas, that option is not available to us.

I am anxious to move proceedings on. I hope the Minister and his team will keep us informed. I understood him when he said that I was unduly concerned, on which basis I beg leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 7 ordered to stand part of the Bill.

Clause 8

TRANSFER OF OTHER PROPERTY

Mr Iain Wright: I beg to move amendment 65, page 6, line 38, at end add—

'(11) The Secretary of State before making a property transfer scheme shall consult with—

(a) the local authority;

(b) the current owner, if not the local authority;

(c) such other persons as the Secretary of State considers appropriate.'.

An identical amendment was tabled in the other place by the noble Baroness Sharp of Guildford, and the rationale behind the proposal remains sound. The clause allows the Secretary of State to "make" a property transfer scheme, which might involve the transfer of IT equipment and other assets. I mentioned last night the weakness in the Bill regarding consultation, and amendment 65 would improve the consultative process. It seems perfectly reasonable to the Opposition that the local authority and the current owner—if that is not the local authority—are consulted to ascertain what should happen to other property or assets, and whether they could be used elsewhere in the area for alternative educational provision.

In speaking to the identical amendment in the other place, Baroness Sharp also said the clause does not mention consultation with interested parties that might be affected by such a transfer, such as catering contractors. My hon. Friend the Member for Blaydon (Mr Anderson) and I made a similar point last night about proper consultation with hard-working staff within the estate, such as catering and cleaning staff, as well as consultation on other assets such as IT equipment.

The amendment would mean a much smoother transfer from the existing school when it converts to academy status. The Minister in the other place said that he would reflect on the matter, and I believe that clause 10 arose as a result of that reflection. However, what should happen to other property, because that too should be subject to wider consultation? There should be proper consideration on important assets, of which the most important are the people who will be affected by the transfer. By doing so, we would ensure a much smoother, less painful and more considered transfer.

Mr Gibb: Clause 8 gives the Secretary of State the power to make a scheme to transfer the property of a maintained school in respect of which an academy order has been made. Amendment No. 65, ably moved by the hon. Member for Hartlepool (Mr Wright), would require the Secretary of State to consult the local authority or other owner or any other appropriate persons before making a property transfer scheme that would affect, among other things, desks, computers and the assets of any existing school.

In the case of converting academies, we intend that there should be a seamless transfer between the existing maintained school and the academy, as part of which the school will clearly need to be able to continue to use its property, and to take advantage of contracts into which it may have entered, such as those for cleaning, catering and insurance. It may also need to transfer the benefit of trust funds left in trust for pupils or the school. The trust—say, a bursary for art left to the school many years ago in the will of a benefactor—may well mention the name of the predecessor school, and clause 8 would enable it to be transferred to the new entity of the academy.

Jeremy Corbyn (Islington North): In this consultation, is there a specific undertaking given by the Government that in any transfer they would consult the staff or staff organisations of those employed by contractors in one building, as my hon. Friend the Member for Hartlepool (Mr Wright) pointed out in his contribution?

Mr Gibb: In earlier debates we talked about TUPE. If staff are subject to the TUPE regulations, all the relevant consultation processes would apply. But if the hon. Gentleman is talking about a contractor who works neither for the previous maintained school or the local authority, and who will not become an employee of the academy, his or her employment rights continue to lie with the contracting company, not with the predecessor school or the academy.

Jeremy Corbyn: My point is that if there is a contract for, say, computer maintenance, with clear employment implications, and it is transferred, the employment requirement also carries on. If it is not transferred, there would be employment implications to which the Secretary of State might be blind because he is looking only at the transfer of property.

Mr Gibb: In those circumstances, the contract would transfer under this clause, but the employment rights would be between the company that is the subject of the contract and the employee, who is not employed either by the predecessor school or the successor academy. The employment rights would not change because the contract would continue with the employer, who would not change.

I should say that we anticipate that the making of any scheme under the provisions of this legislation will be rare. We hope that, in most cases, the transfer of property in connection with a school converting to an academy would be, as now, by agreement among the parties. In most circumstances, a transfer of contract would take place by agreement. That would be our starting point for any property transfer, and this would ensure that all those with an interest in the transfer of such property would be involved in negotiations about their potential transfer. Therefore, we would not get to the point of considering making a scheme under this clause until such discussions were exhausted. It is therefore inconceivable that anyone with an interest in the property to be

transferred would not be consulted on a possible transfer in advance of any scheme being made. There is no reason why the Secretary of State would go to the trouble or expense of making a scheme if matters could be resolved amicably. There might be some contracts though, where the other party might try to use a transfer to obtain further financial benefit. The possibility of the making of a scheme would remove that incentive. The provision is an attempt to prevent the possibility that someone might be able to leverage financial compensation, knowing that the transfer has to take place. It is to avoid that possibility that this clause is in place, so that the Secretary of State can make a transfer against the wishes of people who are party to the contract.

The amendment is therefore unnecessary and I ask the hon. Member for Hartlepool to withdraw it.

Mr Iain Wright: In the large amount of time I have available, I would like to say that the Minister has explained a lot, and to be fair he has gone some way further than the Minister in the other place—

7 pm

Debate interrupted (Programme Order, 19 July).

The Chair put forthwith the Question already proposed from the Chair (Standing Order No. 83D), That the amendment be made.

Question negatived.

The Chair then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83D).

Clauses 8 ordered to stand part of the Bill.

Clauses 11 to 13 ordered to stand part of the Bill.

Schedule 1 agreed to.

Clause 14 ordered to stand part of the Bill.

Schedule 2 agreed to.

Clause 15 ordered to stand part of the Bill

The occupant of the Chair left the Chair to report progress and ask leave to sit again (Programme Order, 19 July).

The Deputy Speaker resumed the Chair.

Progress reported; Committee to sit again on Monday 26 July.

Business without Debate

ADJOURNMENT OF THE HOUSE (27 JULY)

Motion made,

That, on Tuesday 27 July, the Speaker shall not adjourn the House until any message from the Lords has been received, any Committee to draw up Reasons which has been appointed at that sitting has reported, and he has notified the Royal Assent to Acts agreed upon by both Houses.—*(Sir George Young.)*

Hon. Members: Object.

John McGrath

Motion made, and Question proposed, That this House do now adjourn.—*(Miss Chloe Smith.)*

7.2 pm

Anna Soubry (Broxtowe) (Con): Before I begin the Adjournment debate I will let hon. Members leave, as I anticipate and understand they will, given the hour.

As you will know, Mr Deputy Speaker, I bring to the House's attention a very serious and tragic matter. It is almost a year to the day since John McGrath was killed by his grandson, William Barnard. John McGrath's wife, Mabel, was seriously injured in that unfortunate incident. William Barnard was sentenced last month and is now in Rampton secure hospital, where he will be, no doubt, for a considerable time, because at the time of the incident he was seriously ill, suffering from paranoia and schizophrenia. Those who were supposed to be in charge of his care in the mental health services team available to him have helpfully provided a report that goes into considerable detail about the events that led up to that dreadful incident.

I will not go into the detail of that report. It is available for anybody to read if they contact me or Nottinghamshire Healthcare. However, it is clear from the report that there was a significant and serious failing in the care and supervision that should have been enjoyed by William. That is deeply regrettable, because this incident happened without that care and supervision. Had he had it, this tragedy would not have occurred. I am grateful that the Minister has come along today, and I know that, if time allows, he will meet the family. On their behalf, may I extend to you, Mr Deputy Speaker, their thanks for allowing me to address the House in this way? In short, they are very keen to ensure that John McGrath did not die in vain.

The report contains many recommendations. The NHS trust in Nottinghamshire, Nottinghamshire Healthcare, assures me that it has learned many lessons and has said the failings identified that will not happen again, as a result of the recommendations that it is determined to implement. However, through this debate, I want on behalf of the family to ensure that everyone—every team, every trust, every authority—not only reads the report, but understands the failings that it identified and is made aware of the recommendations that it contains, in order to ensure that such a tragedy never occurs again anywhere else in the United Kingdom.

I will quote from the report in time, but I would like to begin by talking briefly about John McGrath. John earned the nickname Dr John, because of his kindness and his willingness to help anyone who came his way, in any way that he could. At the time of his death he was almost 82, and he and Mabel lived in Stapleford, a small town in my constituency. William was the son of their youngest daughter Kathleen. The couple had three other children, all of whom are in the Public Gallery today, as is Mabel. Her other grandchildren, and William's sister and her boyfriend are also here.

As the report says, William Barnard is part of a large and supportive extended family, who played a significant role in providing care for him under extremely difficult circumstances. I have met the family and they are remarkable. They are an example to us all of the sort of love and support that we wish we could all enjoy. They

[Anna Soubry]

are good people. Indeed, it is perhaps testimony to the sort of people the family are that they have come to this place today with a file containing other cases—cases that I know will cause the Minister great concern, as they concern us all—cases of other people who were meant to be in the care of mental health teams and workers, but who unfortunately did not receive the care and support that they should have had, and either killed or injured other people. I know that the Minister will take that dossier and read it.

It is because of the love and support within that family that they have always had great concern for William, to whom I want briefly to turn. In his late teens, he began to exhibit signs of a serious mental illness. He spoke to his mother, who at that time was training to be a nurse. She knew that there was a problem, and together they engaged with mental health services. Again, I will not go into all the detail—the appendix to the report makes clear some of their dealings with mental health services—but it is clear that, from 2002, he exhibited many of the symptoms of a serious mental illness. That, if I may say so, was clear for all to see.

I am no expert, but if I may say so, in 2007 William was exhibiting some of the stereotypical behaviours of somebody in need of serious help and assistance. There were a number of unfortunately very typical symptoms shown by people who experience such an illness, but the important features included a non-engagement with, and suspicion of, mental health care workers and their team. There was also a lot of evidence that William was at great risk of inflicting serious harm to himself through self-neglect. I would say that there were also features—I have read about them in the appendix—that should certainly have caused those responsible for his care to be alerted to a potential risk to other people.

Today I was shown a photograph of Will, as he was known by his family, from when he was well. He was described by his family to me as a gentle giant, and in the photograph—I am sure that the family and he will forgive me for saying this—one can see a rather chubby-faced young man, and he is smiling. He looks happy, and he is clearly well. That stands in sharp contrast to the photograph that has appeared in some of the local papers—understandably so—of William on his arrest. In that photograph, he is a gaunt, haunted young man. That just shows how his illness had affected him.

In 2007 going into 2008, William was sectioned, which was largely due to the efforts of his mother. Again, it was clear that he had a problem, with a lack of engagement with, and a great suspicion of, those charged with his care. Indeed, he escaped from hospital in Derby. He was, in effect, captured—again, it is thanks to the family that he was detained—and he returned to hospital, before being discharged in due course from that Mental Health Act order and returning to Stapleford, into his loving and caring family.

Because of the nature of William's illness, he should have been looked after by the assertive outreach team. In my work as a criminal barrister, I have represented a number of people who have suffered from mental illness. I have come into contact with some of the people who work with people with mental health difficulties and serious mental illnesses, and I have not met one who did not have the most remarkable skills, and a commitment to the person in their charge. They perform a difficult job, and often struggle to resolve huge conflicts. The outreach team in this case was well staffed and well equipped. According to the report, its members were trained. So this was not one of those cases involving a pitiful lack of funding or staff, or any other such deficiency. There were enough people; that was not the problem. The problem was a lack of care and supervision. No one took responsibility for William's care. According to the dossier that the family has handed to me, that is all too common a feature of these terrible tragedies.

In December 2008, William refused to take his medication. That is typical of people with these conditions. He did not take his medication for some seven months before the incident, and those charged with his care knew about that. There were 30 attempts to make contact, but they resulted in only four face-to-face meetings, some of which were only fleeting. For four months before the incident, he was not seen by any professional health team workers at all. There were, however, 11 recorded occasions on which the family contacted the assertive outreach team, and 13 other instances in which other people and agencies, including the pharmacist and even the police, contacted the team to express their genuine, well-founded concerns.

The report talks about an "excessive passivity" in the management of William's case, and a lack of information and detailed knowledge. It describes a breakdown in the assertive outreach team's function. Concern was expressed by some workers, and I do not seek in any way to go behind that. No doubt there were people who were there to look after William and who had concerns about him, but the lack of communication and the systemic failings meant that no positive action was taken. There was no proper analysis of the signs of William's deterioration. According to the report, there was "confusion" and "inaction", as well as ineffective leadership and absent leadership. The report is a damning indictment of what happened in this case. It reveals a systemic failure.

I want to give the House an example, which makes profoundly sad reading. On 20 April, a meeting was called to consider the information that had been placed before the team. It was decided that Will would be monitored for six weeks, after which time a further meeting would be held to reassess his case and to decide whether he should be sectioned under the Mental Health Act. No one made a proper note of what was to happen, however; certainly, no one carried out any work. No review date was set, and there is no record of any action being taken. Worse still, perhaps, was the fact that no attempt was made to see Will for a month.

On 15 June, reports were received from the police and from the pharmacist, who, according to the report, did a remarkably good job of trying to get this young man the help he needed. There were also reports from the family. All kinds of alarm bells should have been ringing loudly at this point, but again, nothing was done or planned. On 24 July, Will was deemed to be an acute risk, not only to others but—most importantly, it could be said—to himself. There was another failed visit. Those who attended his flat saw blood on a door handle, and strange writings and other things on his door. All that clearly indicated that this young man was in desperate need of assistance. Again, his family was

spoken to, and his grandfather spoke of his grave concern for the grandson he loved so much. And that grandson loved him and saw him very much as a father figure. A request for a Mental Health Act assessment to be carried out that very day, as it should have been, was turned down, and a decision was made to wait until the following Monday. By then, of course, it was too late, for it was on that very day that this dreadful incident took place.

The real question to be asked is, "What is to be done, and why are we in the House of Commons raising this matter?" We know that there is to be a report from the strategic health authority, and we look forward to reading its comments and recommendations. We believe that there will also be a coroner's inquest report, as well as the report to which I have referred.

As I have said, lessons must be learnt, not just by Nottinghamshire Healthcare NHS Trust—which has given me an assurance, for whose assistance I am grateful, and to whose representatives I have spoken at length—but throughout the country. We are keen to ensure that when reports such as this are produced, whatever tragedy they concern, it is not one of those cases in which all that happens is that someone says, "Yes, we will carry out all the recommendations." Perhaps that is done for a short period, but there is no long-term, regular audit to ensure that everything that should have been put right has indeed been put right for the future.

The other thing that everyone wants is for families to be far more involved in the care of people like Will who mean so much to them. According to the report, there was a lack of interaction, and we want that to change. Of course there are some cases in which the family does not need to be involved, and of course there are real conflicts over the autonomy of a patient; but in this case, as in so many others, the people involved should have been listened to, and should have been involved to a greater extent. It could be said that William's grandparents, Mabel and John, were themselves vulnerable people to whom a duty of care was owed. They should have been listened to, and they should have been involved.

As a result of an Act introduced by the last Administration, those who work with people who suffer from the sort of illness from which William Barnard suffered, and still suffers, have powers to enter homes. They also have powers to ensure that someone who should be taking medication and is not doing so can be "recalled"—a criminal barristers' term—to hospital. I ask the Minister to ensure that everyone involved in local health services is aware of those powers and willing to use them, and that the assertive outreach teams that exist throughout the country do exactly what it says on the tin, and are assertive in their care and support.

7.17 pm

The Minister of State, Department of Health (Mr Paul Burstow): I congratulate my hon. Friend the Member for Broxtowe (Anna Soubry) on securing what I think is her first Adjournment debate. Adjournment debates provide an opportunity for issues such as this to be debated in the House, and for the Government to account for what they are responsible for and ensure that others do the same. It is entirely appropriate for such a tragic and distressing case to be raised in an Adjournment debate.

Our thoughts must go first to the family whose lives have been turned upside down by this devastating incident. I offer them my deepest sympathies. As my hon. Friend said, members of the family are in the Gallery listening to the debate, and I look forward to meeting them afterwards and discussing the case with them directly. I fully understand their desire to ensure that something positive comes out of this terrible tragedy. As my hon. Friend said, our priority now is to ensure that the NHS learns from the incident, at a local and also, where appropriate, at a national level. I have asked my officials to look carefully at the issues raised by the case as they consider the future direction of mental health policy.

I shall say a little more about the national context later, but let me begin by focusing on the local issues. As my hon. Friend explained, Nottinghamshire Healthcare NHS Trust launched an internal investigation, which reported in April. It is a frank and honest account of what went wrong, and it gives the local NHS a good basis on which to improve the safety and effectiveness of its mental health teams. All that precedes the full external and independent investigation that the strategic health authority will commission in the near future. The trust has assured me that since the internal report came out it has taken active steps to address the weaknesses identified. It tells me that it is improving records management, strengthening communication between teams and reviewing its policy and procedures for assertive outreach. It is also addressing the way that mental health teams assess and manage risk, as well as looking at leadership issues and how they manage a patient's condition over the long term.

In addition, the trust has reviewed the cases of every patient using assertive outreach services to ensure that their care is not being compromised by the same failings. It has commissioned an external review of its assertive outreach teams, which is due to report in a fortnight. I have been reassured that the trust's board will examine the findings and respond swiftly and diligently to them. My hon. Friend and I would agree that all that work must feed directly through into better and safer practice on the ground. Crafting objectives and principles is one thing; achieving tangible improvements to practice is quite another.

My hon. Friend is absolutely right to emphasise the issues of strong leadership and clear lines of responsibility in assertive outreach teams. I can tell her that what should happen is that every assertive outreach patient has a named care co-ordinator. The co-ordinator takes overall responsibility for the appropriate assessment, care and review of the patient. There is no nationally prescribed model for who must take on that responsibility. I do not think that it is sensible to start prescribing how local teams are structured or run through a mandatory code. After all, patients' needs will differ, and so will local circumstances.

However, there must be clarity. Everyone should know who is responsible for what, and people should be properly qualified, skilled and supported to discharge their responsibilities. The trust accepts that point. It tells me that it has set out a clear process for responding to service users who have not adhered to the agreed level of contact. Team managers are now responsible for monitoring that. I also understand that a risk assessment expert has spent a week with the assertive outreach team and is now developing a risk training programme for all staff. That training will be delivered in October.

[Mr Paul Burstow]

Building on that point, I have also asked the trust about its quality assurance procedures. Assertive outreach obviously depends on strong relationships across different teams. That can be hampered if people change jobs, or if the continuity is broken in some other way, so the right quality assurance process is vital. Change has to be embedded within the organisation through regular and robust assessment of the competency of assertive outreach teams. In this regard, the trust tells me that it has improved clinical and managerial supervision as well as its performance management arrangements. For instance, attendance at multidisciplinary team meetings is now compulsory for anyone involved in a patient's care. Team managers now carefully monitor attendance at these meetings, and ensure that all actions coming out of the meetings are properly followed up.

I am keen that lessons from this tragedy are shared and absorbed by the rest of the NHS. In our White Paper, we talk about an NHS freed from the endless succession of top-down mandates and departmental circulars. That is the right approach. We want to replace command and control with much stronger local accountability, with councils in particular taking a much stronger role in working with the NHS and holding it to account. We have also said that the NHS will focus much more on achieving better outcomes; there is a debate to be had about what those outcome measures will be. A consultation is happening over the summer, and outcomes for mental health patients will form part of those discussions.

However, cutting the Whitehall apron strings does not mean abandoning our duties to look at local incidents and consider national repercussions. I will not pre-judge the external investigation. My hon. Friend would not expect me to do that, but I can tell her that the external investigation will be sent to the National Confidential Inquiry into Suicides and Homicides by People with Mental Illness as a matter of course. The inquiry team will consider the findings as part of its regular reviews of homicide investigations. The National Patient Safety Authority would respond to any points of national concern raised by the independent investigation.

In addition, my hon. Friend may be aware that the NHS already flags patient safety incidents via the NPSA's national reporting and learning service, and if a trend or pattern emerges the NRLS can issue an alert to all relevant providers. Those alerts would give advice to the NHS on how to prevent such events from occurring.

My officials have contacted the NPSA about the specifics of this incident and it says no similar problems affecting other assertive outreach teams have been reported to it. Therefore, I will be particularly interested to see the dossier of evidence and I will follow that through.

Mary Macleod (Brentford and Isleworth) (Con): This incident was very movingly described by my hon. Friend the Member for Broxtowe (Anna Soubry), and I do not think it is an isolated incident—I think it has happened elsewhere around the country. Can the Minister give an assurance that the lessons from this case will be learned across the country and that it will change the way things are done in the future?

Mr Burstow: In terms of the systems as they work now, we will do all we can to make sure that that learning is embedded, but I am concerned that my inquiries today have shown that the NPSA was not aware of this dossier and I will therefore look into that, and look at the dossier itself in order to see what it can teach us.

However, I want to reassure both hon. Ladies—and other Members—that if the independent investigation were to make recommendations with national implications, we would look at them very closely and make sure they were translated into action and learning around the country.

Let me end by saying that mental health professionals have an extremely difficult and challenging role; the hon. Member for Broxtowe was right to acknowledge that. The judgments they make are often finely balanced, and the risks they shoulder are considerable. Most professionals are doing an excellent job, and we ought to acknowledge that while also being concerned where practice falls short, but sometimes there are failures in care that could and should have been avoided. Tragedies like the case of John McGrath demonstrate the need for constant vigilance, scrutiny and self-improvement.

When such tragedies do happen, it is vital that all responsible authorities, both local and national, are honest about the weaknesses and diligent about putting things right for the future. Like the hon. Lady, I will take a close personal interest in the independent investigation and the coroner's report. I want to ensure that this incident leads to improvements, because that is probably the only consolation that can come from such a tragedy.

That is my message to the McGrath family and the hon. Lady who has secured the debate tonight. I look forward to meeting the family shortly to discuss these matters further and to working with colleagues across the House to make sure our mental health services protect and give good quality care for people with mental health needs.

Question put and agreed to.

7.28 pm

House adjourned.

House of Commons

Monday 26 July 2010

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

KENT COUNTY COUNCIL (FILMING ON HIGHWAYS) BILL [*LORDS*]

Bill read the Third time and passed, without amendment.

ALLHALLOWS STAINING CHURCH BILL [*LORDS*]

Bill read the Third time and passed, without amendment.

Oral Answers to Questions

CULTURE, MEDIA AND SPORT

The Secretary of State for Culture, Olympics, Media and Sport was asked—

Impartiality Rules (Television News)

1. **Paul Farrelly** (Newcastle-under-Lyme) (Lab): What representations he has received on broadcasting rules on political impartiality in television news. [10670]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): Absolutely none.

Paul Farrelly: I thank the Secretary of State for that precise and illuminating reply. He will know that the British public value the political neutrality of TV news in this country, so will he confirm that the Government have no plans to change the rules governing political impartiality on TV news, and that they will expect broadcasters on digital terrestrial television to conform to those rules in the future?

Mr Hunt: I can confirm that we have no plans to change the impartiality rules, but we will take no lessons on impartiality from the Opposition. There are two people responsible for impartiality in British broadcasting: the head of Ofcom and the head of the BBC Trust. One is a former Labour councillor and the other is a former Labour special adviser.

Mark Pritchard (The Wrekin) (Con): Does the Secretary of State agree that the BBC also needs to remain neutral on international politics, and that, if it is to be believed about its position on Israel, it needs to publish as a matter of urgency the internal report that it commissioned on its apparent anti-Israel bias?

Mr Hunt: I thank my hon. Friend for his question, and he is absolutely right that impartiality needs to apply across the board. I am well aware of his concerns about the issues surrounding the publication of the independent report into the BBC's coverage of Israel, and I am very happy to raise those issues with the BBC Trust if he would like to supply me with any new information that he has about them.

Kelvin Hopkins (Luton North) (Lab): I agree entirely with the question from my hon. Friend the Member for Newcastle-under-Lyme (Paul Farrelly), but there is another matter on which news broadcasts are not neutral: they have a degree of imbalance on matters relating to the European Union. Will the Secretary of State seek to ensure that in future broadcasters reflect the nation's view on Europe, not their view?

Mr Hunt: I very much welcome the hon. Gentleman's question. The BBC Trust recognised in a report that it published, entitled "From Seesaw to Wagon Wheel: Safeguarding Impartiality in the 21st Century", that the BBC was behind public opinion on issues such as Europe and immigration, and the BBC recognises that it must ensure that that does not happen again. However, as Culture Secretary I have to be very careful not to direct the BBC in any way editorially, because in a free country that is a beacon for democracy it is very important that the national broadcaster be independent of the Government. However, that is not to say that the hon. Gentleman's point should not be addressed in the appropriate way.

Sports Participation

2. **Simon Hughes** (Bermondsey and Old Southwark) (LD): What steps his Department plans to take to increase the level of participation in sport. [10671]

3. **Toby Perkins** (Chesterfield) (Lab): What steps he plans to take to increase levels of participation of young people in sport. [10672]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Hugh Robertson): Since taking office two months ago, the new coalition Government have already taken three steps that will increase participation by young people in sport. The first step is to increase sport's share of national lottery funding to 20%, which was envisaged when the lottery was set up; the second is that my right hon. Friend the Secretary of State has announced plans for a new Olympic-style school sport competition; and the third is that we have asked sport's national governing bodies to increase to 30% the amount of money that they commit to grass-roots sport from their broadcasting deals.

Simon Hughes: I thank my hon. Friend the Minister for a positive answer. The borough of Lambeth and my local borough have an excellent sports action zone, promoting sport at all ages. Will the Minister take further steps both in the short term to ensure that, now the school holidays have started throughout the UK, all ages are encouraged to get used to doing some sport, and in the medium term to ensure that we train and recruit many more sports coaches throughout the UK?

Hugh Robertson: I can absolutely give the hon. Gentleman that assurance. A key part of the new whole-sport programme, which the previous Government introduced, was to ensure precisely that sports' governing bodies devoted a far greater proportion of their funding to grass roots; that the funding was targeted at precisely the sort of voluntary schemes that he mentions; and that a crucial part of that was funding for extra coaches, who will be vital to drive any form of participation that we get off the back of the 2012 games.

Toby Perkins: I am glad to hear that the Minister has some ideas on increasing youth participation in sport, but, as someone who has coached young people in rugby for the past five-and-a-half years and as a parent of a sports-mad child, I have to say that the idea that over the past 10 years there has not been any encouragement for competitive sports always seems quite ridiculous. Does he agree that the tabloid myth that there is no support for competitive sports is an insult not just to the previous Government, but to all those PE teachers who give up so much of their time and to all those people who voluntarily coach young people in sport?

Hugh Robertson: It would be fair to start by thanking the hon. Gentleman for his contribution to grass-roots sport over many years as a rugby coach in his own area.

The question of competitive sport is a difficult one, and it is clearly something that, as a new Government, we put at the heart of our sports policy. *[Interruption.]* If the hon. Gentleman looks at the figures for competitive sport in schools, he will see that it is an area that needs attention and that everybody would agree we need to work on. We have highlighted that and put in place a plan to address it.

Iain Stewart (Milton Keynes South) (Con): Last Friday, I had a meeting with people at the National Badminton Centre, which has its headquarters in my constituency in Milton Keynes. They have ambitious plans to extend participation in the sport, but a problem they often encounter is that sports halls built for sports use are increasingly rented out for non-sports uses. Will the Minister look into that as a matter of urgency?

Hugh Robertson: I thank my hon. Friend for that question. In fact, the people there said the same thing to me when I went to visit about a year ago. When I looked into this, I found that the problem is that a village hall can be used for a variety of uses, so to try to screen it out for badminton means no dog show, no village fete, and none of the other things that take place in village halls. This is about the sensible division of time in the way that village halls are used. I can only promise my hon. Friend that I will look into it.

Mr Gerry Sutcliffe (Bradford South) (Lab): Over the past 13 years of a Labour Government, £5 billion was spent on sport, and that increased investment increased participation. After 10 weeks of this new Government, we have already seen the Building Schools for the Future programme cut, with 11% of that money due to be spent on new sports facilities; we have seen free swimming cut; and we are now seeing that they are prepared to drop the target of 2 million people participating in sport, which was one of the Olympic legacies. What discussions did the Minister have with the Department for Education before the decision was taken on Building Schools for the Future, and what is he going to do about the sports facilities that need to be improved and would have been improved under that scheme?

Hugh Robertson: There are two obvious things to say in answer to that question. First, we are dealing with an economic inheritance that we did not create but that was left to us by the Government of whom the hon. Gentleman was a member. Secondly, the Secretary of State has a regular series of meetings with his counterpart in the Department for Education at which these matters are discussed. We have already increased the share of lottery funding to 20%, and that is a huge improvement. Under the hon. Gentleman's stewardship, the amount of money that sport governing bodies were committed to giving to the grass roots in their broadcasting deals was 5%; in three or four months' time, when our changes have gone through, it will be 30%—a huge increase.

Television Licence Fee

4. **Graham Jones** (Hyndburn) (Lab): What recent discussions he has had with the BBC on the level of the television licence fee. [10673]

6. **Mr Peter Bone** (Wellingborough) (Con): If he will bring forward proposals to reduce the television licence fee by 25% over the next four years. [10675]

8. **Kevin Brennan** (Cardiff West) (Lab): What his plans are for the future level of the television licence fee; and if he will make a statement. [10677]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): We have had absolutely no discussions with the BBC about the level of the licence fee under the next settlement.

Graham Jones: The Secretary of State has said that a huge number of things need to change at the BBC. Will he tell the House what he means by that and provide a list of the changes that he thinks are in order?

Mr Hunt: I have been very clear that in its use of licence fee payers' money, the BBC needs to be on the same planet as everyone else. We are tackling a huge deficit as a result of the economic legacy left by the last Government. As we are having to be careful about every penny of taxpayers' money we spend, so the BBC must be careful with every penny of licence fee payers' money that it spends.

Mr Bone: Government Departments are having to cut their expenditure by between 25% and 40%. Will the Secretary of State insist that the bloated nationalised state broadcasting service does exactly the same and passes on the savings to the licence fee payer?

Mr Hunt: My hon. Friend will know that we are committed to a strong BBC that focuses on producing great TV and high-quality news. He is absolutely right. There has been a trickle of stories about BBC pay and expenses, particularly BBC management pay; lots of people at the BBC do not have high salaries. The BBC must look at what happened to Parliament when we lost

the trust of the public because we did not handle our own expenses correctly, and it must be careful not to make the same mistakes.

Kevin Brennan: Licence fee payers will have found last night's broadcast of "Sherlock", produced by BBC Wales and written by the excellent Steven Moffat, first class and great value for money. Earlier, the Secretary of State took pains to name the chairman of the BBC Trust and his former political affiliations, along with the chairman of Ofcom. By doing that, was he trying to call into question their impartiality in the work that they do, and if not, why did he bother to say it?

Mr Hunt: I, too, watched "Sherlock" last night and thought that Martin Freeman and Benedict Cumberbatch did a brilliant job. It was a very good example of the BBC at its best, investing in new programming.

I am not in any way calling into question the impartiality of the two gentlemen I mentioned earlier, but the Opposition should not preach lessons on impartiality when they were so careful to put people of their own political affiliation in charge of so many Government quangos.

Jo Swinson (East Dunbartonshire) (LD): Does the Secretary of State understand the concern of many of my constituents and others across the country following the report in *The Daily Telegraph* of his comments on the BBC? They feel that its high-quality programming is something to be supported and celebrated, not least the excellent independent news coverage that is free of the influence of commerce, or indeed Rupert Murdoch.

Mr Hunt: I agree with the hon. Lady about the importance of the BBC spending money on high-quality programming. That is what the coalition Government believe is one of the primary roles of the BBC. I also agree with her that one thing that has made British broadcasting some of the highest-quality broadcasting in the world is that we have a mix of funding streams, including the licence fee, advertising-funded programming and subscription-funded programming. That is why we are happy with that structure and intend to continue with it.

Alun Cairns (Vale of Glamorgan) (Con): In the context of reducing the licence fee, what consideration has the Secretary of State given to encouraging the BBC to sell off some of its assets, possibly including Radio 1 and some of its other services?

Mr Hunt: We have no plans to ask the BBC to sell off Radio 1. There may be possibilities in the case of some of the BBC's commercial assets, such as BBC Worldwide, and we await any proposals that the BBC may have. However, we are committed to a publicly funded, publicly owned national broadcaster as a benchmark of quality in the broadcasting system. We believe we are one of the few countries in the world to have competition at the quality end of the broadcasting market as well as the popular end, and we want that to continue.

Stephen Timms (East Ham) (Lab): Policy on broadband is a joint responsibility of the Secretary of State's Department and the Department for Business, Innovation and Skills, and he has indicated that he will dip into the licence fee to support the roll-out of high-speed broadband. Can he confirm that any new funding from that source will not be available until 2013 at the earliest, which is three years late, when Labour's phone levy would have been generating £150 million a year in three months' time, not in three years? Given his aim to reduce the licence fee, can he give any assurance that that level of funding will be available even three years late, and given the complete absence of significant new funding for high-speed broadband, is he embarrassed that his pre-election promises on high-speed broadband have so quickly turned to dust?

Mr Hunt: Let me confirm a few things that the right hon. Gentleman ought to be aware of, given that he was a Minister responsible for the matter. The first is that the money that his Government had allocated to ensure that everyone in this country could access broadband at a minimum speed of 2 megabits per second was less than half the total cost of doing that. That was why, when we examined the situation, we decided that we would honour the pledge but would not be able to do so by 2012 and extended it to 2015. As in so many areas, his Government simply did not leave enough money in the pot.

Digital Economy Act 2010

5. **Dr Julian Huppert** (Cambridge) (LD): What recent representations he has received on sections 9 to 18 of the Digital Economy Act 2010. [10674]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): Ministers and officials have had recent meetings with copyright owners, consumer organisations and internet service providers, at which the matter has been raised.

Dr Huppert: Is the Minister aware of the deep concerns held about those sections of the Act among internet service providers such as BT and TalkTalk, among members of the public such as those who went to the Open Rights Group conference on Saturday, and among creative content providers? Given that the Act was rushed through in the dying days of the last Government, will he ensure that there is proper scrutiny of not just the details but the principle of those sections, which many of us oppose?

Mr Vaizey: I am aware of the concerns that the hon. Gentleman mentions. It is important to emphasise that the technical measures in those sections would not come in until at least 2012, and that this House and the other place will have a chance to debate the matter in full under the super-affirmative procedure.

Pete Wishart (Perth and North Perthshire) (SNP): What representations has the Minister had directly from those who actually work in the creative industries—the 1.8 million people who depend on the sector for their jobs and the 250,000 whose jobs are at risk from illegal downloading? What does he have to say to them?

Mr Vaizey: The hon. Gentleman's point is well made. There are two sides to the story. I have met many content owners in the past few months to discuss the matter, and they are keen to have measures in place to combat illegal downloading.

Media Ownership (Regulation)

7. **Mr Tom Watson** (West Bromwich East) (Lab): What representations he has received on the appropriateness of regulation of media ownership. [10676]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): I have had no representations from anyone on cross-media ownership.

Mr Watson: If News Corp is successful in buying the remaining 61% shares of BSkyB, the control that it exercises over UK mass media will be greater than that of any individual in any other advanced industrial country, including Berlusconi's Italy. The law in the US and Australia would prohibit such a takeover. Is the Secretary of State concerned about the lack of plurality of ownership in the UK media? What is the estimated tax loss if the merger takes place?

Mr Hunt: I cannot tell the hon. Gentleman what the estimated tax loss will be—I do not know whether there will be a tax loss. There are big tax gains from having a plurality of players in the British media market. The particular decision that he mentioned is a matter for my right hon. Friend the Secretary of State for Business, Innovation and Skills, who is responsible for determining whether to invoke the public interest clause about the merger. He will make a decision in due course.

Mr John Whittingdale (Maldon) (Con): Does the Secretary of State agree that the relatively low price for which Richard Desmond has acquired Channel Five is a further indication of the continuing difficulties affecting all traditional television companies, and that it also shows that successful companies are likely to have to operate across several different media in future? Given that, does he have any plans to look again at the current rules that govern cross-media ownership and cross-promotion?

Mr Hunt: I thank my hon. Friend for a thoughtful question, as ever, on the topic. He is absolutely right that media companies of the future will have to operate on different platforms. That is why one of my first decisions was to accept a recommendation by Ofcom to remove the regulations on cross-media ownership locally to allow local media operators to develop new business models that let them take product from newspapers to radio to TV to iPods to iPads and so on.

We do not currently have any plans to relax the rules on cross-promotion. Indeed, the regulations on taste, decency and political impartiality on Five remain extremely tight, but we are aware of the need to lighten regulations in general because, if we are to have a competitive broadcasting sector, we must have one in which independent players can also make a profit.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Secretary of State knows that Richard Desmond and Rupert Murdoch have huge pornography empires. Does he share my concern that children have increasing access to pornography on television? What can he do about it? It is a curse, and I hope that he shares my desire to do something about it.

Mr Hunt: The hon. Gentleman makes an important point. Our real concern on this side of the House is about the sexualisation of young people in particular; we take a liberal view of adults' ability to make decisions about what they see on television. I do not want to pretend that there is an easy answer, because traditional linear viewing, which allowed the watershed, made it possible to be much more definite about what would be seen by children and what would be seen by adults. To answer the hon. Gentleman's question directly, we have no plans to relax any of the taste and decency regulations for terrestrial broadcasts.

BBC Accounts

9. **David Mowat** (Warrington South) (Con): What progress has been made on implementation of the proposals set out in the coalition agreement to give the National Audit Office full access to the BBC's accounts. [10678]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): I had a brief meeting with the chair of the BBC Trust last month. My officials are now working with the BBC Trust to ensure that the commitment is achieved by November 2011, as announced in the Department's structural reform plan, in a way that preserves the BBC's editorial independence.

David Mowat: The move by part of the BBC from London to Salford has been good value for the licence payer, good for the north-west and will be good for the BBC. Does the Under-Secretary agree that it would be useful for the National Audit Office to consider moving further functions of the BBC from inside the M25 to the north-west, particularly Salford?

Mr Vaizey: That is not a matter for the National Audit Office, which examines how the BBC spends its money, but for the BBC and the BBC Trust.

Chris Leslie (Nottingham East) (Lab/Co-op): Is there any real justification for not opening up the BBC accounts to the National Audit Office and the Public Accounts Committee, especially given that one of the Secretary of State's reasons for cutting the licence fee was deficit reduction? I am not sure whether the BBC accounts would rack up against the public finances in quite that way.

Mr Vaizey: Forgive me, Mr Speaker, but I am not quite sure what point the hon. Gentleman is making. It is a coalition Government commitment that the National Audit Office should have full access to the BBC's accounts by November 2011 in order to ensure value for money and public accountability.

Creative Partnerships

10. **Fiona Mactaggart** (Slough) (Lab): What plans he has for the future of Creative Partnerships. [10679]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): Creative Partnerships is funded by Arts Council England and as such, decisions on its future are a matter between that and Creativity, Culture and Education.

Fiona Mactaggart: The Minister does not sound as enthusiastic as the teachers and head teachers in my constituency are about this wonderful programme. Can he do more to publicise the achievements of Creative Partnerships? The case report that his Department semi-released a week ago without any real promotion concluded not only that Creative Partnerships improves learning and achievement, but that through research, it improves the capacity of creativity to do more to help children to learn.

Mr Vaizey: As the hon. Lady may know, I am a passionate supporter of both music and cultural education in the round. We could do more to make such programmes more coherent, so that they work in a more joined-up fashion, but as I said, the future of Creative Partnerships and how it works is very much a matter between it and Arts Council England.

Damian Collins (Folkestone and Hythe) (Con): Does the Minister agree that because Arts Council England set up a separate body to deliver that programme—Creative Partnerships—and even if much of the work on the ground and delivery is excellent, we need to be careful how many tiers of management are involved? Creative partnerships are possible through local authorities and some excellent private sector organisations that do a lot of work with the community, such as the Creative Foundation in my constituency.

Mr Vaizey: I am grateful to my hon. Friend for his well-made point. As I said, I feel very strongly that we need to bring some coherence to the sector. Many very good initiatives are happening on the ground, and it is important that we join them up as much as possible to make them as effective as possible.

Mr Ben Bradshaw (Exeter) (Lab): Successive Labour Culture Secretaries achieved settlements in every comprehensive spending review from 1997 onwards that were significantly better than the Whitehall average, arguing successfully that culture has a special role in our national life; that for every £1 we invest, we get £2 back; and that spending in any case is tiny—less than the annual underspend in the NHS. Are the Minister and his colleague the Secretary of State even bothering to make those arguments with the Treasury? What has happened to the Liberal Democrats manifesto pledge to protect spending on arts and culture? Is that just another example of the Lib Dems having no influence whatever on the Government?

Mr Vaizey: We work very closely with our Liberal Democrat colleagues. As the shadow Secretary of State is aware, the economic state that the previous Government left us in has left us with some very tough decisions to make. I can assure him that the Secretary of State and I, and all colleagues in the Department, are making effective arguments. Since the right hon. Gentleman makes his point so effectively, could he now give a guarantee that the Opposition—

Mr Speaker: Order. The Minister's answer is always of interest to hear, but it is not for him to be posing questions to the shadow Secretary of State.

Mr Bradshaw: I note that there is not even a Lib Dem Front-Bench spokesman in the Chamber at the moment, although I am partially reassured by what the Minister has to say, because of course his Government have been described by senior Conservatives as the "Brokeback Mountain" coalition. That happens to be one of my favourite films, but as I am sure he is aware, it does not end well. One of the cowboys is killed in a homophobic attack by backwoodsmen, and the other lives out a sad, lonely life on a trailer park. Which is which in this coalition?

Mr Vaizey: Mr Speaker, you quite rightly upbraided me for asking questions of the Opposition, and I am sure that you would not want me to comment on general political matters during Culture, Media and Sport questions.

Licensing Act 2003

11. **Chris Heaton-Harris** (Daventry) (Con): Whether he plans to bring forward proposals to exempt from the provisions of the Licensing Act 2003 live performances at small venues; and if he will make a statement. [10680]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (John Penrose): I am delighted to reassure my hon. Friend that the Government are committed to the principle of trying to reduce the burden of red tape on live music performances. We are currently evaluating a series of options, and hope to bring forward whichever of them comes out best in the business case.

Chris Heaton-Harris: I wish to press my hon. Friend because I would like a date or time scale for the removal of these measures, which were introduced in the Licensing Act 2003 and which have been so detrimental to live music.

John Penrose: I am afraid that I cannot give my hon. Friend a precise date, if only because the devil is in the detail. I can only assure him that we are working through these measures as quickly as possible. A number of stakeholders—as the jargon has it—have to be consulted, and today I had meetings with people from the Local Government Association and Local Government Regulation in order to ensure that all the relevant people have been consulted. We will do it as fast as we can.

Coventry Market

12. **Mr Jim Cunningham** (Coventry South) (Lab): What factors he took into account in reviewing English Heritage's decision to list Coventry market. [10681]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (John Penrose): In deciding to retain Coventry market on the statutory list, I took into account the architectural and historical interest of the building, as set out in the Planning (Listed Buildings and Conservation Areas) Act 1990.

Mr Cunningham: I am surprised by the Minister's answer, because if architectural design were taken into consideration that building would not pass muster. Is he aware that that scheme means that hundreds of millions of pounds of modernisation money now cannot be spent in Coventry city centre? Will he meet a delegation to consider this further?

John Penrose: I sympathise with the hon. Gentleman, who took the trouble to write to me in advance laying out some of his concerns. My problem is that economic

considerations are not part of the factors that I am allowed to consider under the 1990 Act. I can reassure him that the fact that the building is listed as grade II does not mean that it cannot be touched. In fact, there are many examples every year of listed buildings at grade II that are altered, and in some cases pulled down, for economic reasons, depending on the decision of the local planning authority.

Superfast Broadband (Cornwall)

14. **Stephen Gilbert** (St Austell and Newquay) (LD): What steps he is taking to increase provision of superfast broadband in Cornwall. [10683]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): Unlike the previous Government, this Government are committed to the roll-out of superfast broadband in rural areas as well as in cities, and not just at speeds as slow as 2 megabits, but at very fast speeds. Cornwall will be an important part of that process.

Stephen Gilbert: I welcome the Government's commitment to roll out superfast broadband across the UK, but can the Secretary of State give me an assurance that we will not have a digital divide between roll-out in urban areas and roll-out in rural areas such as Cornwall?

Mr Hunt: We will do everything we can to avoid that digital divide. The importance of superfast broadband is not just economic; it is social. The reason for that is that every year 7 million jobs are advertised on line, and 90% require internet skills. So for remote, rural and deprived areas it is incredibly important that they are part of the revolution. That is why we are committed to tackling rural broadband provision at the same time as broadband provision in our cities.

2012 Olympics (North-west)

15. **Mark Menzies** (Fylde) (Con): What recent discussions he has had on the legacy for the north-west of the London 2012 Olympics. [10684]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Hugh Robertson): I have regular discussions on maximising the legacy benefits of the games for the UK as a whole. The north-west stands to gain from a wide range of opportunities created by the games through businesses winning games-related work, increased tourism and cultural events. For example G R Formby Heavy Transport Ltd, a firm in my hon. Friend's constituency has won work in the Olympic Deliver Authority supply chain.

Mark Menzies: I am sure that the people of Fylde will be pleased by my hon. Friend's answer. What measures is he taking to ensure that schools and youth groups in the north-west have affordable access to the games in London?

Hugh Robertson: The first and obvious point is that 1,263 schools and colleges in the north-west are already registered for the London 2012 education programme. That is a process that will continue. It is part of highlighting the two years to go celebrations tomorrow and it is a process that we will continue as we move closer to the games.

Superfast Broadband (Isle of Wight)

16. **Mr Andrew Turner** (Isle of Wight) (Con): If he will have discussions with industry representatives on promoting the use of superfast broadband on the Isle of Wight. [10686]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): The Isle of Wight does not have good or consistent broadband coverage and this Government are determined to sort it out.

Mr Turner: The economy of the Isle of Wight is markedly poorer than in the rest of the south-east because of our separation by sea. Access to superfast broadband would help. When is it likely to become comprehensively available everywhere on the island?

Mr Hunt: My hon. Friend is right to talk about the importance of superfast broadband and not just low-speed broadband for somewhere such as the Isle of Wight. We have said that we are committed to having the fastest superfast broadband network in Europe by the end of this Parliament, and we are doing everything possible both to stimulate private sector investment in our broadband network and to have a coherent strategy for dealing with rural and remote areas such as the Isle of Wight. We are happy to work closely with him to ensure that the Isle of Wight is part of that success story.

Licence Fee

17. **Ian Murray** (Edinburgh South) (Lab): What recent discussions he has had with the BBC on the level of the television licence fee. [10687]

Mr Speaker: Minister? Secretary of State?

Hon. Members: Come on!

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): I do apologise, Mr Speaker. I have had no discussions with the BBC about the level of the licence fee.

Ian Murray: The Secretary of State will be aware that there is an ongoing programme of savings totalling £1.9 billion in the current licence fee period. What impact will that have on the Government's decision with regard to the level of the licence fee?

Mr Hunt: I am delighted that the BBC has started to talk about making savings, but it needs to go further. The BBC needs to understand that the world in which licence fee payers are living is one of severe and constrained finances. Licence fee payers would like that to be reflected in the BBC's approach to matters such as executive pay and remuneration, executive pensions, and a whole range of other areas. We want a strong BBC, but a strong BBC is one that is in touch with the feelings and the mood of the people who pay for it, and they are the licence fee payers.

Topical Questions

T1. [10690] **Bob Blackman** (Harrow East) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): I shall make a brief statement, if I may, to start proceedings. First, because of my Department's responsibility to take its share of reducing the deficit inherited from the previous Government, we have announced today plans to rationalise or merge a number of arm's length bodies for which we are responsible. As part of that, we have said that we are considering the abolition of the UK Film Council and the Museums, Libraries and Archives Council. That does not reflect our commitment to the Government's or the lottery's investing in UK film, or Government support for the sectors represented by the Museums, Libraries and Archives Council. However, in the constrained circumstances in which we find ourselves, we want to ensure that every penny is used on front-line services, not on back-office and bureaucracy.

With permission, Mr Speaker, I also want to mention that tomorrow marks the date from which there will be exactly two years till the 2012 London Olympics opening ceremony. I am happy to report to the House that the construction of the project is on track, and I believe that it will also be delivered within budget. It is because I want to maintain the cross-party support for that important project that I can today announce that there will be Liberal Democrat and Labour representation on the Olympic board, and the Labour representative will be the right hon. Member for Dulwich and West Norwood (Tessa Jowell).

Several hon. Members *rose—*

Mr Speaker: Order. Doubtless the Secretary of State was seeking to be helpful to the House, but in the light of the impromptu statement that he has just made, I will probably allow modest injury time.

Bob Blackman: We are all looking forward to the 2012 Olympics. However, this is a very difficult time for football fans—after the World cup and before the season starts—so what lobbying has the Secretary of State been doing and what action has he been taking to bring the World cup back to England?

Mr Hunt: I thank my hon. Friend for his excellent question. I have met five members of the FIFA executive committee to tell them personally that England is the best possible place to host the World cup in 2018. More than 1 million people watch or play football every week in this country, and we have the best football infrastructure in the world. There is no doubt at all that we would deliver the best World cup possible in 2018, so I thank my hon. Friend for his support.

T3. [10692] **Ian Lucas** (Wrexham) (Lab): Will the Government's Shott inquiry consider the media pressures in north Wales and, in particular, the failure of the BBC to provide any local radio in Wales or support the developing media network within the country?

Mr Hunt: The Shott inquiry will certainly be looking at that, but it will also look at the chronic failures in local media throughout the country. The situation is tough for local newspapers and local radio stations and, unlike many countries, we have virtually no local TV in this country. For rural areas such as north Wales, we believe that local media have an important role to play. That is why, unlike the previous Government, we are doing something about the problem.

T2. [10691] **Mary Macleod** (Brentford and Isleworth) (Con): Will my right hon. Friend join me in praising Brentford football club community sports trust for its work in the community, involving more than 27 sports and 30,000 children, and explain what plans he has for developing the big society model to create more opportunities for sport for young people across the country?

Mr Hunt: I am very happy to praise the work of that organisation, which I visited with my hon. Friend before the election. I can personally attest to what a brilliant job it is doing. I think that it involves more than 50,000 young people every year across four London boroughs, and it has a brilliant role to play. I hope that restoring the lottery to its original four pillars as one of my first acts as Secretary of State will make more funds available for such projects and for their important work.

T4.[10693] **Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): Guisborough and Skinningrove in my constituency suffer from bad TV reception, and certain channels are unobtainable. Both areas are served by relay transmitters rather than masts. Will the Minister confirm the date for digital switchover in both communities, and provide details of the funding of the switchover? Will he also give me a guarantee that the residents of those areas will be able to receive all Freeview channels once the process is complete?

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): By the time digital switchover ends in 2012, everyone in the country should be able to receive at least 15 Freeview channels, but I would be happy to meet the hon. Gentleman to discuss any particular problems in his constituency.

T5. [10694] **Julian Smith** (Skipton and Ripon) (Con): Last week, Dr David Harrop, a dentist from Grassington in the heart of the Yorkshire dales, wrote to me to say that he felt completely left behind by all the advances in the internet. Does the Secretary of State agree that connecting rural communities with high-speed broadband is vital for setting up businesses and for work? Will he meet me and my North Yorkshire colleagues to work out how North Yorkshire can be at the forefront of his superfast broadband revolution?

Mr Hunt: I am happy to meet my hon. Friend and his colleagues from Yorkshire; I have already met colleagues from Norfolk. I agree that superfast broadband can create jobs in fields that we cannot possibly predict, including home education and telemedicine, and we are anxious that those benefits should be shared throughout the country.

T6. [10695] **Hugh Bayley** (York Central) (Lab): The Government's change of policy on regional development agencies required Yorkshire Forward to cancel an investment of £5 million in the refurbishment of the National Railway museum's great hall and one of £1 million towards the restoration of York minster's great east window. If the Government do not want Yorkshire Forward to invest in heritage, will the Secretary of State or the Minister responsible for culture come to York over the summer to discuss other ways of supporting those important institutions, and to meet people from other important heritage organisations in the city?

Mr Vaizey: I was in York in April and it is a very fine city. I know that the museum is opening its extension this week. I will happily meet the hon. Gentleman to discuss how we can help York to continue to move forward with its exciting cultural and heritage projects.

T7. [10696] **Dr Thérèse Coffey** (Suffolk Coastal) (Con): My right hon. Friend the Secretary of State has already mentioned the fact that the Olympics will be launched two years tomorrow. I am sure that he also enjoyed the various events that were held recently in constituencies across the country, including Xtremefest and the disability showcase in Ipswich. One concern that has been passed to me by many of the volunteers who help with sport across the country is that they are put off by the excessive health and safety regulations and the increasing requirements for insurance. Will he assure me that he will have words with his colleagues in the Cabinet about how we are preventing people from doing the right thing?

Mr Hunt: My hon. Friend makes an important point. I have already had a meeting with Lord Young to discuss how we can look at the burden of health and safety regulation on volunteering in general. A particular concern is the rule that requires two people to take children to sporting activities in minibuses. We are worried that that is putting off schools taking people to sports events in other places. My hon. Friend is absolutely right, and we are looking at that matter carefully.

Derek Twigg (Halton) (Lab): I am sure that the Front-Bench team will agree that it is important to increase participation in sport at school, and that playing fields have an important role in that. During the review of capital expenditure on education, was the Secretary of State consulted on the proposal to review the regulations relating to school playing fields? If he was consulted, what did he say? If he was not consulted, why not?

Mr Hunt: We are working closely with the Department for Education on a number of projects to do with school sport. In particular, we want to ensure that proper protections are in place for school playing fields. That was a failing of the previous Conservative Government and of the previous Labour Government, and we want to put it right.

T8. [10697] **Mr Philip Hollobone** (Kettering) (Con): May I praise my right hon. Friend for helping to expose some of the excessively large pay packages at the BBC, and ask him when something is actually going to be done about this matter?

Mr Hunt: There is a moment once every five years when a Secretary of State has a chance to influence the way in which the BBC spends money. That is when he has negotiations on the future of the licence fee, and that moment will come next year.

Ian Paisley (North Antrim) (DUP): Given the Minister's unilateral decision to close the UK Film Council, will he outline what discussions he had with the council and its members and when those discussions took place? Will he also outline what direct support and ambition the Government have for film making in the United Kingdom?

Mr Speaker: I think that that was a triple question, but I know that the Secretary of State is dextrous enough to provide a single reply.

Mr Hunt: We have not announced a decision, but we have said that we are considering such action because we want to hear everyone's views. The UK Film Council spends £3 million per annum on administration. We want to ask whether that money could be better used to support film makers.

Rehman Chishti (Gillingham and Rainham) (Con): When is the Shott review likely to report back on the creation and viability of local television?

Mr Hunt: In September.

HOUSE OF COMMONS COMMISSION

The hon. Member for Middlesbrough, representing the House of Commons Commission, was asked—

Parliamentary IT Equipment

1. **Duncan Hames** (Chippenham) (LD): What representations the House of Commons Commission has received from new hon. Members on Parliamentary Information and Communications Technology's policy that ICT equipment is allocated only to the permanent office of an hon. Member. [10698]

Sir Stuart Bell (Middlesbrough): None, sir.

Duncan Hames: It is a very serious matter when Members of the House are denied the tools to provide an efficient and effective service to their constituents, at home in their constituencies. Will the hon. Gentleman please consider removing that obstacle to Members, recognising that those such as me who did not rush into taking out office leases saved the taxpayer money and should be entitled to the IT provision available to other Members?

Sir Stuart Bell: I sympathise with the hon. Gentleman. If there are special circumstances in any case PICT will be prepared to consider an alternative approach. Under its current approach, each and every Member ought to have a permanent office, either in Westminster or their constituency, before they order equipment. That ensures that the equipment ordered is suitable for the space being occupied, and it avoids the need to relocate often heavy equipment and to set it up twice.

LEADER OF THE HOUSE

The Leader of the House was asked—

Early-day Motions

2. **Mark Menzies** (Fylde) (Con): What assessment he has made of the effectiveness of the early-day motions procedure. [10699]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): The procedure for early-day motions is a matter for the House. Despite their variable quality, the opportunity provided by EDMs to raise any issue in the House is valued by many hon. Members. I understand that the House authorities are considering measures to reduce the associated costs.

Mark Menzies: I thank the Minister for his response. I and many colleagues are increasingly concerned that the EDM procedure is being abused by outside interests and lobbyists, at considerable cost to the taxpayer and to Members' time. What steps is he taking to ensure that that does not continue?

Mr Heath: I know that a number of hon. Members share the hon. Gentleman's view. Ironically, perhaps, the concerns about early-day motions are expressed in early-day motion 432, which sets out a similar view to his. The problem is that many of our constituents are led to believe by campaigning organisations that EDMs have an efficacy well beyond what we in the House know to be the case. The matter will have to be considered by the House authorities and Committees, but he makes an important point.

Chris Bryant (Rhondda) (Lab): Early-day motions are an important way for the House, and particularly Back Benchers, to show interest, concern and dedication to a particular cause. I urge the hon. Gentleman not to make it more difficult for Members to sign early-day motions—I know that there are difficulties deciding which to sign and which not to sign—but to make it easier. Currently, we can table a question online, but we cannot add our name to an early-day motion online. Surely that facility could be introduced.

Mr Heath: In the past financial year, a total of 2,531 EDMs were tabled, with 120,158 names added. Clearly, the obstacles are not insuperable, but the hon. Gentleman raises an important point, which he has raised with me previously and which I have taken up with the House authorities. I hope that we will soon make progress on the matter.

Dr Julian Lewis (New Forest East) (Con): Had it not been for the availability of the EDM procedure, I would not have been able quickly to gather 249 signatures for an EDM that helped in considerable part to change the law so that the mad decision of three judges that our home addresses should be revealed to anyone who asked for them could be stultified and reversed. May I suggest gently to my hon. Friends and other hon. Members that if they are so shy about saying no when asked to sign an EDM, they have the option of simply informing the Table Office that they do not sign any EDMs, and informing their constituents of the same? Those of us who want to make use of the procedure can then continue to do so.

Mr Heath: I am not sure that that was a question, so it is a little difficult for me to reply.

Mr Speaker: We will take it as a rhetorical question.

Policy Announcements

3. **Rachel Reeves** (Leeds West) (Lab): If he will take steps to ensure that no major Government policy announcements are made when the House is not sitting. [10700]

The Leader of the House of Commons (Sir George Young): The Government make major policy announcements to the House in the first instance when it is sitting. However, the demands of modern government make it impossible to avoid making any announcements at all when the House is not sitting.

Rachel Reeves: The Minister for Housing, the right hon. Member for Welwyn Hatfield (Grant Shapps), made substantial policy announcements on Friday that could just as easily have been made on Thursday or today. What assurances can the Leader of the House give us that until Parliament returns in September there will be no announcements that can wait, especially given that it is returning early in September? The House needs to be able to scrutinise legislation properly.

Sir George Young: It is precisely because the Government want to keep the House informed that there are 32 written ministerial statements on the Order Paper today. We have brought forward announcements that might otherwise have been made in August in order to keep the House fully in the picture. I am not aware that any substantial policy announcements are to be made during August.

Miss Anne McIntosh (Thirsk and Malton) (Con): Will my right hon. Friend look favourably on a request that when consultation is announced over the summer—as it is in one of today's written ministerial statements—a certain amount of injury time will be allowed to enable those of us who wish to take soundings from our constituents to do so adequately, and subsequently to respond?

Sir George Young: I think I am right in saying that the Government have set out guidelines in best practice to assist the consultation process, and I hope that the process to which my hon. Friend refers observes those guidelines, and that she will have an opportunity to consult her constituents in good time before it ends.

Ms Rosie Winterton (Doncaster Central) (Lab): Will the Leader of the House ensure that when the Government have made up their mind about their policy on rape anonymity, it will be communicated when the House is sitting, especially given that there is another leak in today's papers suggesting that the Government have reversed their stated position?

Sir George Young: The right hon. Lady knows that no legislation on rape anonymity is planned for the current Session, but of course the Government will make their views on the issue known at the right time. Before she waxes too indignant, let me remind her that the then Prime Minister announced at last year's party conference—when the House was not sitting—substantial changes of policy on a national care service and a referendum on the alternative vote.

HOUSE OF COMMONS COMMISSION

The hon. Member for Middlesbrough, representing the House of Commons Commission, was asked—

Parliamentary Recording Unit

4. **Mr Andrew Turner** (Isle of Wight) (Con): If the House of Commons Commission will bring forward proposals to reduce parliamentary recording unit charges for small independent broadcasters. [10701]

Sir Stuart Bell (Middlesbrough): We have already taken action. In anticipating new licensing arrangements due to come into effect in August 2011, we have decided to stop charging copyright licence fees to broadcasters for the material that we hold.

Mr Turner: It sounds as if I must be very grateful for that. I hope that the hon. Gentleman will now give me further information.

Sir Stuart Bell: I am aware that the hon. Gentleman has had discussions with the parliamentary recording unit. He has been very diligent, and I congratulate him on that. As he knows, the principles and level of charges were originally set out in 1993 by what was then the Select Committee on Broadcasting and have thereafter been reviewed at official level. The technical duplication charges, to which the hon. Gentleman did not refer but which I know he understands, will be reviewed during the business planning for the new broadcasting arrangements that will be introduced in August 2011.

LEADER OF THE HOUSE

The Leader of the House was asked—

Pre-legislative Scrutiny

5. **Diana R. Johnson** (Kingston upon Hull North) (Lab): What steps he plans to take to provide for pre-legislative scrutiny of proposed Government legislation. [10702]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): The Government will continue to publish Bills in draft for pre-legislative scrutiny as opportunities arise. We have already announced that three Bills—on parliamentary privilege, House of Lords reform and defamation—will be published in draft.

Diana R. Johnson: During last Thursday's business questions, the Leader of the House told me that pre-legislative scrutiny was "not possible" for all constitutional Bills in the first term of a Parliament. Has the hon. Gentleman had an opportunity to read the words of Professor Robert Blackburn, Professor Robert Hazell and Peter Riddell, who say that there is no justification for rushing through without pre-legislative scrutiny the Fixed-term Parliaments Bill when we return in September, other than the political expediency of the two coalition partners?

Mr Heath: Well, that is their opinion. It is perfectly clear that it is not possible for Bills to be produced in time to allow full pre-legislative scrutiny in the first 10 weeks of a new Government when those Bills are to be debated in the very near future; I would have thought that that was obvious to any Member of this House. We are clearly committed to using pre-legislative scrutiny whenever possible, but I repeat that it is clear that, with a new Government and a new House of Commons, there will be new Bills that cannot go through that procedure.

Geoffrey Clifton-Brown (The Cotswolds) (Con): The Deputy Leader of the House will be aware that in the previous Parliament many Bills were almost totally rewritten during their passage through the House. In due course, after the Government have had time to write their Bills, will the Deputy Leader of the House be able to say that pre-legislative scrutiny will be the norm, and not the exception, for a Bill in this Parliament?

Mr Heath: The hon. Gentleman makes the important point that what is most important is that Bills are written correctly and are made right first time, rather than having them rewritten, as was so often the case under the previous Administration. *[Interruption.]* We hear protestations from Opposition Members, but may I remind them that in the 2009-10 Session only five Bills were submitted for pre-legislative scrutiny and in the 2008-09 Session there were only four, whereas we have already announced three.

Mr Graham Allen (Nottingham North) (Lab): The Deputy Leader of the House referred to someone's opinion about pre-legislative scrutiny. What does he think of the opinion that all Bills should be given 12 weeks of pre-legislative scrutiny? That was the opinion of his right hon. Friend the Leader of the House, writing to the Liaison Committee last week. Is it not a travesty of the processes of this House that my Select Committee on Political and Constitutional Reform has only been able to squeeze in a maximum of three sessions to look at two very important Bills? Will the Deputy Leader of the House not cite past precedent, but try to set future precedent to do this job properly?

Mr Heath: I hope that the hon. Gentleman's Committee will do an excellent job in looking at those Bills as they are taken forward. The critical period is between Second Reading and Committee, when Members consider amendments that they may wish to table. I hope that his Committee will take full advantage of that period by having as many sittings as he requires in order to do that work.

HOUSE OF COMMONS COMMISSION

The hon. Member for Middlesbrough, representing the House of Commons Commission, was asked—

Early-day Motions

6. **Mr Philip Hollobone** (Kettering) (Con): How much it costs to print early-day motions in 2009-10. [10703]

Sir Stuart Bell (Middlesbrough): The cost of publishing early-day motions, including printing, staff time and technical support, was approximately £1 million in the financial year 2009-10. Printing alone accounts for some £776,000.

Mr Hollobone: Taxpayers will be shocked by the figures that the hon. Gentleman has just read out to the House. Should this not offer scope for huge cost savings and, hopefully, be another nail in the coffin of the wretched EDM system?

Sir Stuart Bell: I am grateful to the hon. Gentleman for his remarks, and he will be happy to know that from the start of this parliamentary Session older EDMs have not been reprinted weekly, saving 2.5 million sheets of paper and up to £300,000 in printing costs per year.

Mr David Hanson (Delyn) (Lab): I confess that I have been here for only 18 years but I have not yet seen an EDM debated. Would it not be a good idea for us to pick four or five EDMs for debate in the course of a year and therefore, through the Backbench Business Committee or the Leader of the House, vent those issues and make the system better value for money?

Sir Stuart Bell: I am grateful to my right hon. Friend, but I cannot add to the points made by the Deputy Leader of the House and the hon. Member for New Forest East (Dr Lewis). As my right hon. Friend will no doubt know, this is a matter for the Procedure Committee or the Backbench Business Committee.

Robert Halfon (Harlow) (Con): Would it not be a good way to save money to publish EDMs just on the internet and not print them on the Order Paper?

Sir Stuart Bell: That is an interesting point. In 2007 the Procedure Committee said there should be no electronic tabling of EDMs without stronger authentication than that in place for questions.

Chris Bryant (Rhondda) (Lab): Why?

Sir Stuart Bell: My hon. Friend asks why. The Procedure Committee said there should not be such electronic tabling unless

"significantly stronger authentication than is currently required for parliamentary questions can be guaranteed".

The Procedure Committee went on to say that it cannot therefore

"recommend the introduction of e-tabling for EDMs."

I am happy to answer the hon. Gentleman's question, and my hon. Friend's question from a sedentary position.

Running Costs

7. **Hugh Bayley** (York Central) (Lab): Whether the House of Commons Commission plans to seek the views of hon. Members on ways of reducing the running costs of the House. [10704]

Sir Stuart Bell: The Commission will seek the view of Members in the normal way through the Finance and Services Committee and the Administration Committee. I am pleased to see on today's Order Paper the submission of names to the will of the House for both those Committees. The Commission will also welcome the submission of views from individual Members, which should be sent to the secretary of the Commission.

Hugh Bayley: I understand the need for the House to cut its costs, but I am worried about the size of the cut in respect of Select Committee travel, because it will undermine the ability of Parliament to scrutinise the Government. Will the Commission seek savings in other areas which do not have a direct impact on how Parliament does its job? For example, at a time of widespread public concern about public sector bonuses, will the Commission examine what impact the bonus scheme for senior staff of this House has had on their output and productivity?

Sir Stuart Bell: I am grateful to my hon. Friend for his question. On the cuts in the Select Committee budgets, I am afraid that we are not able in this House to distinguish between one set of expenditure and another. The cuts announced recently are for this year only and are in response to the general financial stringency being applied to the public sector in the current year. Following scrutiny by the Finance and Services Committee last December, the Commission agreed to a reduction of 9% over three years and will consider the position for future years in the autumn. My hon. Friend's point about bonuses will be included in that review.

Ian Tomlinson

3.31 pm

Emily Thornberry (Islington South and Finsbury) (Lab) *(Urgent Question)*: To ask the Attorney-General if he will make a statement on the decision not to prosecute any police officer in connection with the assault and subsequent death of Ian Tomlinson?

The Attorney-General (Mr Dominic Grieve): I thank the hon. Lady for her question. I wholly understand the reaction of the public and of this House to the news that the Director of Public Prosecutions considers that he cannot bring a criminal prosecution following the Independent Police Complaints Commission's investigation into the death of Mr Ian Tomlinson in April 2009. No one who has seen the pictures of his treatment that day could fail to be disturbed by them. The facts were rightly and thoroughly investigated by the IPCC. In recognition of the strong public interest in understanding how that decision had been reached, last Thursday the Director of Public Prosecutions, who has responsibility, independently of Government, for the decision, made a detailed and lengthy statement explaining it. The statement is available on the Crown Prosecution Service website, and I have also asked for copies of it to be placed in the Library.

Once the IPCC has concluded its report, an inquest will follow into the death of Mr Tomlinson under the direction of Her Majesty's coroner. The Metropolitan police will also consider whether disciplinary or any other action should be brought. It has to be remembered that the detailed statement made by the DPP did not purport to set out any defence that the suspected police officer would have advanced had the case come before a criminal court; it only centred on the evidential issues faced in any prosecution.

From the outset, the CPS and the IPCC approached this case on the basis that there may be evidence to justify a charge for manslaughter. Expert evidence was obtained with a view to establishing the cause of death. After the original pathologist, who was appointed by Her Majesty's coroner, provided a second statement about his findings, the factual basis on which the other experts had given their opinions about the cause of death was seriously undermined. The CPS concluded that there was no realistic prospect of conviction for manslaughter.

It is not appropriate practice in possible homicide cases to bring a charge for a lesser offence such as common assault while there remains a prospect of a prosecution for manslaughter. But once it was clear that a charge for manslaughter was not going to be possible, the CPS turned to consider whether proceedings could be brought for assault occasioning actual bodily harm. In law, a charge of assault occasioning actual bodily harm can be brought in respect of quite minor injuries. However, to bring a measure of consistency to charging decisions in assault cases the CPS applies charging standards. In the case of the G20 demonstration, for example, after a police officer struck a woman twice with his baton causing a similar level of injury, the CPS brought a prosecution for common assault applying exactly the same guidance. That officer was of course recently acquitted by the courts.

I understand the dismay of the House at the outcome of this case, which is that a prosecution will not be brought for any offence. That outcome was reached after an independent investigation of the facts by the IPCC and independent and thorough consideration by a senior and experienced Crown Prosecution Service prosecutor, with the added benefit of advice from independent leading counsel under the oversight and with the approval of the Director of Public Prosecutions. I have seen nothing to make me doubt the seriousness and propriety of the decision-making process in this case.

Emily Thornberry: Does the right hon. and learned Gentleman believe that if a member of the public had launched an unprovoked attack on a police officer that was immediately followed by the officer's death, and if that incident was on film, a pathologist of highly dubious professionalism would have been appointed to investigate and that that pathologist would have been allowed to throw away samples that could have proved the link between the assault and the death? Does he also agree that it would be highly unlikely, even if one were to leave aside the evidence in connection to the manslaughter, that there would be no action on the assault?

We have all seen the film. The man was clearly assaulted. We have also, have we not, read Nat Cary's evidence in which he says that there is an area of bruising consistent with being hit with a baton? As Nat Cary says, if that is not ABH, what is? How can the CPS have taken 15 months to come to no conclusion? It is not going to take any action. I suggest that that would not have happened if the tables had been turned and this shows that there is no equality before the law. If the right hon. and learned Gentleman agrees, what is he going to do about it?

The Attorney-General: I should say at the outset that I think that the first part of the hon. Lady's question is based on a slightly false premise. The appointment of a pathologist is a matter for the coroner, not for the CPS. The first pathologist appointed in this case was appointed by the coroner—he has the power to do that. The hon. Lady will be aware from what was said by the DPP and from what I said a moment ago that much flows from that appointment. It is clear that a report was produced that provided an indication to lead to further reports that looked as though it might lead to showing a causal connection between the assault and the death but that subsequently a further factual statement from the pathologist first appointed by the coroner entirely undermined the basis on which any further expert view could be taken of the case by other pathologists. That is at the root of the problem.

As for the hon. Lady's suggestion that in some way this case would have been treated differently had it involved the death of a police officer, I have no reason to think that that is the case. It is right to say that when the matter was first drawn to the attention of Her Majesty's coroner, it might not have been apparent at that stage—because the video evidence had not become available—that this was not a sudden death on the fringe of the G20 demonstration rather than something that was intimately linked to it, as became clear when the video evidence became available.

Maria Eagle (Garston and Halewood) (Lab): I should like to thank the Attorney-General for the elaboration that he has given. It seems to me that the decision not to

prosecute appears to rest on the divergence of medical opinion between the three pathologists who have conducted post-mortems, creating evidential problems for the DPP when considering the likelihood of proving a causal link between the push and the blow that, as we have all seen, were struck at Mr Tomlinson and his subsequent death. However, is it not the case that the decision of medical authorities to charge Dr Patel, the first pathologist, with 26 counts of misconduct is materially important?

The public will find it difficult to understand how the opinion of a doctor facing 26 charges of misconduct before the General Medical Council can in effect muddy the evidential waters in this very serious case to such an extent that a prosecution cannot proceed in a case where the public interest is not served, as I think the right hon. and learned Gentleman would probably agree, by such a decision.

Prosecuting authorities, of course, are rightly independent, but what powers of supervision does the Attorney-General have over their decisions? In view of the GMC's charges against Dr Patel, has the Attorney-General asked the DPP to review his decision about whether to bring charges, given that the other two pathologists—Dr Cary and Dr Shorrock—agree that Mr Tomlinson's death was a result of internal bleeding from blunt force trauma to the abdomen? If not, will he now do so?

I am sure that the Attorney-General agrees—and would say again—how important it is that justice is seen to be done, freely and fairly, with all being equal before the law. The unfortunate circumstances of this case do not appear to show that at present.

The Attorney-General: As for the hon. Lady's last comment, I entirely endorse what she says. On her earlier comments, I am not in a position to make a judgment on the misconduct allegations that may pertain to the pathologist, Dr Patel, which I understand arise out of other matters. Neither am I in a position to comment on questions of expertise. As I tried to make clear a moment ago, this is about an issue of fact. Dr Patel carried out the first post-mortem examination, which included certain conclusions about blood in the abdominal cavity. Subsequently, he factually retracted those statements, or altered them markedly, putting a completely different complexion on what conclusions could be drawn from the evidence and whether, in particular, any connection could be made between the blow that one can see being struck on the video, the fall that followed and the actual cause of death. I understand that that lies at the root of the Crown Prosecution Service's difficulties in this case.

The hon. Lady also asked about my powers of supervision and superintendence. I have those—they are my ability to ask questions. As she might appreciate, I have certainly had an opportunity to do that, but this is not my decision and I have not been in a position to review the evidence. As I said earlier, I have no reason to think, from anything I have heard, that this matter was not most conscientiously and fully inquired into with a clear desire to see justice being done. The decision is potentially open to being reviewed by means of judicial review—that could happen if someone wished it to take place—but I want to make it clear that on the basis of what I have been told and what I have discussed, but not on a review of the evidence, it seems to me that the CPS has acted with complete propriety in this matter and in trying to take it forward.

Dr Julian Lewis (New Forest East) (Con): Does my right hon. and learned Friend accept that the CPS might have acted with complete propriety but that its actions have nothing to do with the delivery of justice in this case? Does he understand that to allow the findings of a pathologist who has previously found a victim of the Camden ripper in 2002 to have died of natural causes resulting from heart disease to trump the considered verdicts of two other pathologists is far from satisfactory? Is he more understanding than I am of the fact that the Director of Public Prosecutions can take the view that the findings amount to an irreconcilable disagreement between experts rather than between two experts and one incompetent who ought to be disregarded?

The Attorney-General: I fully understand my hon. Friend's concerns, but at the risk of repeating myself, I must restate the key point. This is not just a disagreement between experts: it is about a key matter of fact that had to be established at the outset, which has been left completely unclear. On the basis of the facts as now stated, it does not lend support to there being a causal connection between the blow and the death. That might be a profoundly unsatisfactory state of affairs, but I simply say that the CPS has to go with the material that is available to it, and it cannot manufacture it or wish that something different had happened from what actually happened. From that point of view and bearing in mind my responsibility in this matter, in seeking to answer the House's questions properly, I repeat that the CPS seems, from what I have been told, to have acted with complete propriety in investigating this matter.

Keith Vaz (Leicester East) (Lab): The Attorney-General might recall that at the instigation of the hon. Member for Carshalton and Wallington (Tom Brake) the Select Committee on Home Affairs held an inquiry into the G20 riots and made passing comment on the case of Ian Tomlinson. Two recommendations were put forward, one of which concerned the use of untrained officers. The other involved the Committee's concern about the prospect that communication between the police and the public at that time, and the tactics that were used, might undermine public confidence and trust in the police. Have those two recommendations been addressed? If not, will the Attorney-General write to me and let me know what progress has been made?

The Attorney-General: I think the right hon. Gentleman will understand that those questions fall slightly outside the remit of my area of responsibility. My right hon. Friend the Home Secretary is sitting on my left, however, and I am sure that is a reflection of the seriousness with which she takes the entirety of the matters that the right hon. Gentleman has just expounded. I hope very much, therefore, that my right hon. Friend will be in a position to answer the question that he raised.

Tom Brake (Carshalton and Wallington) (LD): It is important not to prejudice any further action, but does the Attorney-General agree that to avoid the impression of a cover-up it is also important that the CPS considers all the evidence that will be presented at the inquest and whether it warrants taking action against the officer then?

The Attorney-General: The hon. Gentleman makes a perfectly good point. As I indicated, the matter is not at an end. There will be an inquest and there is the IPCC report to the Home Secretary. If it were, indeed, the case that further evidence emerged, I have not the slightest doubt that the CPS would wish to consider it.

Glenda Jackson (Hampstead and Kilburn) (Lab): The issues causing my constituents concern are, first, the seeming failure of the Metropolitan police ever to learn from their past mistakes and, secondly, that the CPS seems to have endowed the medical evidence with undue weight and ignored the other manifest evidence that was in the public domain. If there is to be an inquest, will the family of Mr Tomlinson be afforded any kind of financial support by the Government, given the swingeing cuts that have been introduced to the legal financial service?

The Attorney-General: On that latter and final point, I have to tell the hon. Lady that it is a matter for my right hon. and learned Friend the Secretary of State for Justice. As she is aware, provision is available to help families in certain inquests and that matter would have to be considered. It would also have to be considered by the Legal Services Commission to which application would be made.

May I return to this point: I do not think it is a question of the application of undue weight on anything? The responsibility of the CPS is to apply the code and test of Crown prosecutors as to whether there is a basis on which a prosecution can be brought. In a case of prosecution for manslaughter, that is not possible for the reasons I have already given the House and the hon. Lady. In a case of assault occasioning actual bodily harm, if the CPS were to depart from its own standards and guidelines, which have, I think, been in existence for some 15 years—I seem to recollect they were introduced following some criticisms that there were excessive variations in when assault occasioning actual bodily harm was charged or not—that decision could be open to criticism and challenge.

Mark Pritchard (The Wrekin) (Con): Is it not time that coroners were issued with new guidance that they should not appoint pathologists when there is a direct and/or present relationship with the police force they are investigating?

The Attorney-General: My hon. Friend raises an interesting question. Normally, as I understand it, that is a matter for the discretion of the coroner. It may be that one of the matters arising from this case that needs to be considered is how pathologists are appointed by coroners in all cases.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): Does the Attorney-General agree that a key element in upholding the rule of law is people's confidence in the rule of law? Does he also agree that a number of issues associated with this case have tended to undermine that confidence both for the tragic Tomlinson family and for the community as a whole? The question of the pathologist's competence has been touched on, but there is also the chequered history of the policeman involved—at one point, he was actually discharged from the Metropolitan Police Service. There is also the question of the length of time it took the CPS to finish the inquiry, which has meant that no prosecution of any kind may be brought. Does the right hon. and learned Gentleman agree that all of us in the House who are committed to upholding the rule of law have reason to be concerned about what has happened in this case?

The Attorney-General: I certainly endorse the hon. Lady's final comment. Yes, and I hope I made it clear that there is something profoundly unsatisfactory about a conflict of evidence arising on facts and matters of this kind. Some matters the hon. Lady raises are not within my province, but there may well be some lessons to be learned, and as I indicated previously, this matter is at least not yet completely at an end. That having been said, prosecutors have to see that the law is observed, but they have to act within the law and on the evidence. They are constrained by that; indeed, that is one of their responsibilities and duties. The fact that the evidence ends up unsatisfactory and that the matter cannot therefore be taken any further does not mean that they have not done their job properly.

Sir Alan Beith (Berwick-upon-Tweed) (LD): Does the Attorney-General accept that, whatever may be the normal practice, there was nothing to prevent the CPS from bringing a simple assault charge while other matters continued to be investigated? Does he also recognise that the urgency of creating a system of genuinely independent medical examiners, as recommended after the Shipman case and by the Justice Committee, is confirmed by aspects of this case?

The Attorney-General: The right hon. Gentleman raises the question of whether an assault charge could have been brought while the investigation continued. I say simply that it could have been. The difficulty that might have arisen is that if that assault charge had been taken to conclusion through the courts during the period of the investigation and subsequently the material on which a manslaughter charge could have been based became apparent, it might then have been impossible to proceed with the manslaughter charge. I do not think that that matter can simply be overlooked.

I did not fully respond to the point put by the hon. Member for Hackney North and Stoke Newington (Ms Abbott) about the timing. I simply say this: there was an IPCC inquiry first of all, which took some months. By the time the Crown Prosecution Service got the material in this case, time had already gone on a fair bit. In those circumstances, I do not take the view from what I have seen that the CPS was in any way dilatory in trying to bring this matter to a conclusion.

Jeremy Corbyn (Islington North) (Lab): Does the Attorney-General understand that a lot of people view his remarks today and his response to my hon. Friend the Member for Islington South and Finsbury (Emily Thornberry) with utter consternation? As my hon. Friend the Member for Hackney North and Stoke Newington (Ms Abbott) pointed out, this is a question of justice and of seeing justice to be done. If we are to have any confidence in the judicial system and in the ability of the Government or the CPS to mount a prosecution, something must happen in this case where a wholly innocent man was killed in broad daylight on the streets of London and no action appears to be imminent on this matter.

The Attorney-General: As I said, anyone who saw the video of what happened must be seized with very serious concern about the matter. That is a view that I entirely endorse. Therefore, for the same reason, I am extremely unhappy, as I am sure everyone in the House is, that we should be in the position that we are in today with such a complete lack of clarity in the matter. There may well be lessons to be learned overall, but I came to the House to answer for the CPS, which had to take the material available to it and act on it. As I said before, I do not believe there is anything in what I have seen of how the CPS has conducted itself in this matter to make me think that it was not seeking throughout to try to ensure that justice was done in this case. I hope that the hon. Gentleman will be able to accept that.

Mr Peter Bone (Wellingborough) (Con): Does the Minister agree that the liberty of every citizen in this country relies on the separation of powers, that members of the public should not be tried by television and the media and that the CPS has looked at this properly and reached a proper decision?

The Attorney-General: My hon. Friend does make an important point—in this country, we have the presumption of innocence and it is also right that we only prosecute where the code test is passed and there is a credible basis on which a prosecution can be brought. Those are onerous burdens for the CPS, which it has to discharge impartially, free of political control and fearlessly. I have not the slightest doubt that in this matter that is what it has sought to do. The fact that the outcome is unsatisfactory—from the House's viewpoint and that of many, particularly, I might add, the family of the deceased, for whom everyone in the House must have the greatest sympathy—does not, in fact, undermine the validity of what the CPS was trying to do.

Jim Fitzpatrick (Poplar and Limehouse) (Lab): Does the right hon. and learned Gentleman accept that, on the CPS's lack of proceeding against the officer, one aspect that causes concern is his alleged chequered history? According to press reports, he left the Met under a cloud, was re-employed as a clerk, successfully applied to Surrey constabulary for a position and then transferred back to the Met. Can the right hon. and learned Gentleman advise us, to his knowledge, whether that aspect of Metropolitan Police Authority recruitment policy is being examined as part of the process in respect of the prosecution, and whether, if there is a lesson for the Home Office on inter-constabulary transfers, that matter will be brought to the attention of the House?

The Attorney-General: The Home Secretary is sitting on my left, and she has had the opportunity of hearing the hon. Gentleman. As he will appreciate, the points that he makes are again outside the remit of myself as a Law Officer and, indeed, of the Crown Prosecution Service, but I fully accept that they are perfectly pertinent.

Anna Soubry (Broxtowe) (Con): Would my right hon. and learned Friend be able to assist in this way: cases involving causation are always difficult, but did the Crown Prosecution Service consider two other charges available to it, neither of which would have been time-barred, namely affray and misfeasance in public office?

The Attorney-General: So far as affray is concerned, I am not aware of whether it was considered, and it does not immediately spring to mind as appropriately reflecting what happened in the case. So far as misconduct in public office is concerned, the matter can be looked at, but the test for misconduct in public office is quite clear: it should not be used as a substitute to get around a substantive offence being brought. For those reasons, the CPS took the view that misconduct in public office was not an appropriate charge to bring, and in that it is certainly backed by all precedent.

Steve McCabe (Birmingham, Selly Oak) (Lab): Is it true that the coroner, Professor Paul Matthews, refused to allow two IPCC investigators to attend the first post-mortem and failed to advise Mr Tomlinson's family about their rights in relation to the second post-mortem? If so, how can any of us have any confidence in his ability to conduct an inquest that will have such a crucial bearing on any future decision by the CPS?

The Attorney-General: As to the latter point about the family, I am not in a position to comment. As to the first, on whether the coroner insisted that a post- mortem go ahead with Dr Patel only, I think that I am in a position to confirm that that is what he did.

Policing in the 21st Century

3.58 pm

The Secretary of State for the Home Department (Mrs Theresa May): With permission, Mr Speaker, I would like to make a statement about a consultation paper that I am publishing today. Entitled "Policing in the 21st Century: Reconnecting police and the people", it sets out the most radical reforms to policing in at least 50 years.

For this Government, police reform is a priority, not just because we inherited the worst public finances of any major economy, but because for too long the police have become disconnected from the communities that they serve, been bogged down by bureaucracy and answered to distant politicians instead of to the people. Crime remains too high, too many families and communities suffer from antisocial behaviour and barely half the public are confident that important local issues are dealt with. Meanwhile, the challenges that we face have changed. Terrorism, the growth in serious and organised crime and cybercrime all require new approaches that cross not just police force boundaries, but international borders.

First, we will transfer power back to the people. We will introduce directly elected police and crime commissioners by 2012. The commissioners will set the police budget, determine police force priorities and have the power to hire and, where necessary, fire their chief constable. To help the public hold their local police to account, we will publish local crime data and mandate local beat meetings so that people can challenge the performance of their neighbourhood policing teams.

Secondly, we will return professional responsibility to police officers. Front-line staff will no longer be form writers; they will be crime fighters, freed from bureaucracy and central guidance and trusted to get on with their jobs. We have scrapped the policing pledge. We have got rid of the confidence target. We will restore police discretion over charging decisions for particular offences. We will limit the reporting requirements for "stop and search" and we will scrap the "stop" form in its entirety.

Thirdly, we will shift the focus of Government. As the Home Affairs Committee noted during the previous Parliament, the previous Government tried to micro-manage local policing but failed to support forces effectively on national issues, so we will build on the work of the Serious Organised Crime Agency to create a more powerful national crime agency, which will tackle organised crime and protect our borders. We will phase out the National Policing Improvement Agency and scrap Labour's plans for a statutory police senior appointments panel. We will discuss with the Association of Chief Police Officers the way forward in its role as a professional leadership body.

Fourthly, we will make the police more efficient at force, regional and national levels so that front-line local policing can be sustained. To this end, we are already consulting separately on police procurement regulations to get better value for taxpayers' money.

Fifthly, we will unleash the power of community pride and civic responsibility, so that people can come together to cut crime. We will therefore look for a cost-effective way to establish 101 as a single police non-emergency number so that it is easier to report crime and antisocial behaviour. We will also do more to encourage active citizens to become special constables, community crime fighters and members of neighbourhood watch groups.

There is nothing inevitable about crime. That is why we are determined to press ahead with these reforms, which demonstrate our determination to undo the damage of the Labour years, put the people back in charge, and rid our communities of crime, antisocial behaviour and disorder. I commend the statement to the House.

Alan Johnson (Kingston upon Hull West and Hessle) (Lab): The statement should be entitled, "Policing in the 21st Century: How to make the job harder". As usual, the Home Secretary trots out her infantile drivel about the last Labour Government, probably written by some pimply nerd foisted on her office by No. 10.

The Home Secretary said that she aims to undo the damage of the Labour years. That damage was recorded in the Home Office's statistics on 15 July. Here it is: overall crime is down by 50%, violent crime is down by 50%, property crime is down by 55%, the murder rate is at its lowest level since at any time over the past 20 years, and the chance of being a victim of crime is at its lowest level since records began in 1981—21.5%, down from its peak of 40% under the Conservatives. That is the damage that she is seeking to undo—the kind of damage that any Government would be proud of.

The Home Secretary is about to have her budget cut by at least 25%.

Claire Perry (Devizes) (Con): Thanks to you.

Alan Johnson: Thanks to us, the hon. Lady says from a sedentary position. I remind her that we were making the police a priority and guaranteeing the funding for record numbers of police officers.

Last week's report by Her Majesty's inspectorate of constabulary and the Audit Commission made it plain that any cuts above 12% were bound adversely to affect front-line policing. Soon we will learn how the Government plan to restrict the use of the DNA database and CCTV, and thus make it harder for the police to catch criminals. Today we have the final part of the triple whammy—structural upheaval through the imposition of elected commissioners and the abolition of the Serious Organised Crime Agency. Perhaps the Home Secretary can tell me which chief constables, which police authority chairs or even which local authority leaders support the replacement of police authorities by a single elected commissioner. Sir Simon Milton, when he was the Conservative head of the Local Government Association, said that:

"there are already people elected at local level to represent the community and be advocates over a range of services—they're called councillors".

Is not the Home Secretary setting up, in Sir Simon Milton's words,

"a parallel and potentially conflicting system with a competing mandate"?

Sir Hugh Orde has said:

"Every professional bone in my body tells me"

that having elected commissioners

"is a bad idea that could drive a coach and horses through the current model of accountability and add nothing but confusion."

The Conservative chair of the Association of Police Authorities has said that the idea appears to be driven by dogma, and Richard Kemp, the leader of the Liberal Democrat group on the Local Government Association, has said that the vast majority of the 3,700 Lib Dem councillors—a figure soon to be drastically reduced at the next election—oppose an elected commissioner. Does the Home Secretary not think that the narrower the remit of the position, the weaker the case for having the occupier of that position decided by ballot?

How will the Home Secretary safeguard the operational independence of the chief constable? As the APA has pointed out, police authorities have done a great deal over the past few years to ensure that the public understand their role and that police authority members are properly equipped and trained to operate effectively. There is a clear argument for enhancing and increasing the role and responsibility of local government, so that local councillors have a clear mandate for holding the police to account. That is the route that we should be taking, rather than this unnecessary, unwanted and expensive diversion. Can the Home Secretary tell me whether the LGA is right when it states that the elected commissioners will cost £50 million? What is her estimate?

The coalition agreement talked about refocusing the Serious Organised Crime Agency, not eliminating it. That organisation was formed only four years ago, and the structural upheaval then took years to settle down.

Sir Alan Beith (Berwick-upon-Tweed) (LD): It was yours.

Alan Johnson: It was our structural upheaval, I agree completely, but that is what occurs with any reorganisation. To put people through another structural upheaval four years later is simply madness.

In 2006, SOCA was wrongly described as replicating the FBI, and reports over the weekend gave the same description. Does the Home Secretary think it is accurate? She will be aware of Sir Paul Stephenson's John Harris memorial lecture recently, which rejected the FBI option. Sir Paul set out a model built upon SOCA, not upon replacing it, and his national federated model has much to commend it. Why is the Home Secretary not pursuing that alternative?

The Child Exploitation and Online Protection Centre does fantastic work. To build upon that work, we were moving it away from SOCA to be a non-departmental public body. Will the Home Secretary continue that process, and if not, why not?

Will the dedicated border force replace the UK Border Agency, and how many jobs will be lost as a result of these initiatives in SOCA, the UKBA, the National Policing Improvement Agency and elsewhere?

We have yet to hear a word from this Government about how they plan to cut crime. All we have heard is how they will cut officer numbers, prison places and police powers. Today, the Home Secretary has managed to reannounce at least three decisions that we had already taken in government. She says that she will mandate beat meetings to challenge the performance of neighbourhood policing teams, having scrapped the policing pledge drawn up by chief constables themselves to provide exactly that mandate.

The Home Secretary inherited the Department when crime had fallen substantially, public confidence in the police had never been higher and public concern about antisocial behaviour had never been lower. She says she is pursuing bold policies; in fact she is pursuing bad policies. I was pleased to see the Government's U-turn on anonymity for rape defendants; elected commissioners need to go the same way.

Mrs May: I have to say to the shadow Home Secretary that I find his complacent attitude in relation to what has happened over recent years rather surprising. As far we are concerned, we do need to fight and cut crime, but our streets can never be too safe and we will not be complacent about the antisocial behaviour and crime that still blight the lives of too many people in this country.

The right hon. Gentleman talks about the damage that is being done, but I will tell him when damage is done to policing in this country. It is when, as Her Majesty's inspectorate of constabulary reported last week, at any one point an average of only 11% of police officers are out on our streets. It is when the average police constable is spending only 14% of their time on the streets and 22% in filling forms. The Labour Government did that damage over 13 years.

The right hon. Gentleman mentioned the DNA database. It is extraordinary that he is still willing to defend a Government who wanted to put innocent people's DNA on the database, but were not willing to ensure that they had the DNA of all the people in prison on that database.

The right hon. Gentleman asks who supports the decision to have directly elected commissioners and elected representatives of the people. He will find some support from the following quote:

"we will legislate to strengthen the democratic link with the public by introducing local, directly elected crime and policing representatives."—[*Official Report*, 17 July 2008; Vol. 479, c.435.]

Those are not my words, but those of the right hon. Gentleman's predecessor as Home Secretary, the right honourable Jacqui Smith.

The right hon. Gentleman talks about the need to publish figures. Of course, we will in due course publish figures in relation to the police commissioners as well as the business case for the national crime agency. He mentioned its role and the need for it. Only two weeks ago in the Police Foundation lecture, the Metropolitan Police Commissioner, Sir Paul Stephenson, raised the need for us to strengthen the tasking and co-ordination of response to serious organised crime. That is what the national crime agency will do. It will also deliver our commitment for a border police force and strengthen our ability to protect our borders.

On the shadow Home Secretary's comments about cuts in budgets, I simply refer him to two things. First, he seems to have forgotten that, in the words of the former Labour Chief Secretary to the Treasury, "There is no money left." Secondly, it would be helpful for the House to know that yesterday, on Sky News, the shadow Home Secretary confirmed that, in a Labour Government, he would have cut police budgets.

Several hon. Members *rose—*

Mr Speaker: Order. A great many hon. Members wish to take part, but there is important business to follow and there are real pressures on time. Single, short supplementary questions and brief replies are therefore required.

Tom Brake (Carshalton and Wallington) (LD): Does the Home Secretary agree that the checks and balances that apply to elected police commissioners must be strong enough to stop populist politicians turning policing into their personal fiefdoms?

Mrs May: I think that everybody in politics aims to represent the people and their views. The point of directly elected commissioners is to replace bureaucratic accountability with democratic accountability. However, the hon. Gentleman is right that checks and balances need to be in place. That is why we will introduce the police and crime panels, drawn from local authority representatives and independent members, with powers to look at the commissioner of police's plans in their area and to raise public concerns if they wish to do that.

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): I will leave aside the fact that the Government came to power promising to stop constant reorganisations but have done nothing but reorganise. Will the Home Secretary confirm that SOCA in its current guise is being abolished and that the intelligence function, which is crucial to dealing with, for example, the cybercrime and e-crime that she mentioned, will go with it? Does she therefore propose to enhance the role of the excellent police e-crime unit in the Met, or to transfer the powers to that amorphous body, the NCA?

Mrs May: The right hon. Gentleman's assumption that SOCA's intelligence-gathering capability will be abolished is completely wrong. We intend to build on and harness the intelligence-gathering expertise that has been built up in SOCA in the past few years as part of the serious organised crime command in the national crime agency.

Given that, in November 2003, the right hon. Gentleman's proposals included changing police authorities so that they would be wholly or partially directly elected rather than appointed, I am sorry that he has not supported our proposal for directly elected commissioners.

Nicola Blackwood (Oxford West and Abingdon) (Con): Given that the Home Affairs Committee found that SOCA managed to seize only £1 from organised crime gangs for every £15 of its budget, will the Home Secretary reassure us that her proposals for the national crime agency will be more effective in cutting not only crime, but waste?

Mrs May: I am happy to give that assurance to my hon. Friend. SOCA has built up expertise in intelligence gathering, but we need to do more. We need to put more focus in this country on fighting serious organised crime, which is what the command within the NCA will be able to do.

Hazel Blears (Salford and Eccles) (Lab): The Home Secretary will know that effective policing in this country is absolutely dependent on good intelligence at every level. How will she ensure that the relationships between local authorities and the police, which are essential not only for neighbourhood policing, but for that golden thread of intelligence that goes all the way through to tackling terrorism, are maintained under her proposals?

Mrs May: I thank the right hon. Lady for her question and for raising the point about the golden thread that runs through policing. It is absolutely essential that we retain that golden thread from local neighbourhood policing all the way through to the work done at national level to fight serious organised crime, terrorism and so on. However, one of the points of introducing directly elected police and crime commissioners is to ensure that someone in each force has a direct responsibility to the people, which will ensure that they represent the needs of the people in local policing.

Mark Reckless (Rochester and Strood) (Con): The Home Secretary has done what the Opposition failed to do—she has stood up to the vested interests and put the police under democratic control. Since she does not envisage allowing directly elected individuals to direct particular investigations, will she assure the House that she will not sign up to a European investigation order that would allow political appointees in other member states to do precisely that?

Mrs May: We are considering our response to the proposals for the European investigation order, and I will ensure that the House is informed of our decision on it. I suggest that my hon. Friend has another look at the order if that is his interpretation of it.

Caroline Flint (Don Valley) (Lab): I thank the right hon. Lady for clarifying that the Government intend not to abolish SOCA, but rather to build on it. How will she ensure that efforts are made locally and regionally, whether by elected commissioners or chief constables, to focus on serious organised crime, so that the national agency can perform appropriately and for the benefit of the whole country?

Mrs May: I am grateful to the right hon. Lady for raising that important point. Of course, individual police forces will still have a responsibility to deal with serious organised crime, but we need to strengthen that national co-ordination and tasking in relation to such crime, which is why we are bringing the serious organised crime command into the national crime agency. However, we are also looking at imposing strong duties of collaboration among police forces to ensure that, when collaboration across force boundaries is necessary to deal with issues such as serious organised crime, that does indeed take place.

Mr Mike Hancock (Portsmouth South) (LD): Will the Home Secretary give an assurance to the House and police forces in England and Wales that they need not fear that they will be forced into amalgamations because of the changes, and that we are not going to resurrect the Labour party's proposals from its last term in power?

Mrs May: I am grateful to my hon. Friend for raising that point and for enabling me to put absolutely clearly on the record that this Government will not try to impose mergers on police forces. If police forces voluntarily wish to merge and come forward not only with a strong

business case, but with clear indications that such a merger is supported by the local communities, we will of course look at that, but we will not, unlike the previous Government, try to impose mergers on forces.

Keith Vaz (Leicester East) (Lab): May I welcome a number of the Home Secretary's proposals today that are in keeping with recommendations made by the Select Committee on Home Affairs last year? I was going to say that she nicked the name of our last report for her White Paper, but I will be generous and say that she borrowed it. She is right about SOCA, and clearly, £79 million on National Policing Improvement Agency consultants is far too much, but will she give the House an assurance that, whatever the reorganisation entails, front-line policing will not be affected; that the number of officers on the front line will remain the same; that our fight against terrorism will be as strong as it has been over the past few years; and that we will not give in to the serious organised crime gangs?

Mrs May: I thank the right hon. Gentleman for his questions, for the work that the Home Affairs Committee has done under his chairmanship and for the issues that it has identified, to which I referred in my statement. I can confirm to him—and it is clear in the document—that our work on counter-terrorism is a good example of forces coming together and working together, and we have no plans to change the arrangements that are in place. In relation to front-line policing, this Government want to strengthen it. We want to slash the bureaucracy and get the police where they should be—out on the streets.

Mr Robert Buckland (South Swindon) (Con): In setting up the new national crime agency, will my right hon. Friend ensure that it does not make the same mistakes as its predecessor bodies in setting artificial targets for the confiscation of the proceeds of crime, which have often led to inappropriate and wasteful proceedings?

Mrs May: It is one of the characteristics of the previous Government that they set more store by setting targets than by ensuring outcomes and giving bodies the freedom to do what was necessary to get on with the job and fight crime.

Mr George Howarth (Knowsley) (Lab): Can the Home Secretary tell the House whether she has had any independent assessment made of the likely impact of these proposals on crime rates?

Mrs May: The Government's intention throughout the actions that we have announced today is to strengthen the fight against crime at local, regional and national levels.

Nadhim Zahawi (Stratford-on-Avon) (Con): Can my right hon. Friend confirm that for elected commissioners to work in the court of public opinion they will have to have real teeth? I am pleased to hear that they will have the powers to hire and fire. Will she confirm that those powers will not be watered down in the legislation?

Mrs May: I can confirm that our intention is as set out in the document today and that the directly elected police and crime commissioners will have the ability to appoint, and if necessary remove, the chief constable.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Is the Home Secretary aware that while concern about the impact of crime will always be great among our constituents, in my constituency the police—led by Inspector Damian O'Reilly and his colleagues—have great achievements in reducing crime levels and improving detection rates in several categories? Does she accept that, if those achievements—achieved with the support of the Labour Government and Manchester Labour council—deteriorate in any way, it will be her cuts and her reorganisation that will be held responsible?

Mrs May: I of course commend the work that is being done on the ground by individual police officers, such as those whom the right hon. Gentleman mentioned. This Government want to strengthen the fight against crime. He returns—as did the shadow Home Secretary—to the issue of cuts. Her Majesty's inspectorate of constabulary reported last week that it thinks that it will be possible to find 12% budget cuts in the police force without affecting front-line policing. The reason that we are having to look at the sort of spending cuts across Government that we are—*[Interruption.]* Labour Front Benchers may groan, but they know that it is their fault: it is the legacy of the last Labour Government.

Mr David Nuttall (Bury North) (Con): Does the Home Secretary agree that having directly elected police commissioners will help to improve the public's trust and confidence in our police force by ensuring that the police listen to local people?

Mrs May: My hon. Friend makes an important and valid point. We need to restore that confidence and the link between the police and the public—the link that has sadly been damaged over the years by the increased bureaucracy and imposition from the centre under the last Labour Government. He is right that our proposals will increase the public's confidence.

Sammy Wilson (East Antrim) (DUP): There will be concerns about the possible disruption of activities against organised crime as a result of the changeover from SOCA to the national crime agency. What contact has the Home Secretary had with regional assemblies across the UK and can she give an assurance that the formation of the new agency will not mean a downgrading of the fight against crime in regions such as Northern Ireland?

Mrs May: We certainly wish to ensure that the fight against crime is in no way downgraded; indeed, the whole purpose of our proposals is to help to strengthen the fight against crime across the UK, as I have said in answer to a number of questions. The directly elected police commissioners will relate to England and Wales, and both the Minister for Police and I have had discussions with the Welsh Assembly.

Mr Julian Brazier (Canterbury) (Con): In welcoming my right hon. Friend's excellent statement, may I urge her to consider extending control to the Crown Prosecution Service? We saw in the earlier statement the difficulties that we have with the uniquely British system of having a prosecution organisation that is wholly independent of accountability.

Mrs May: I thank my hon. Friend for raising an important point. As their name suggests, the police and crime commissioners will have a responsibility that goes wider than simply the police force. We are looking at how they can work with, for example, community safety partnerships in local areas. However, we also envisage looking at the possibility of extending the remit of police and crime commissioners further in the criminal justice system. Indeed, my right hon. Friend the Minister for Police is looking at that with both the Home Office and the Ministry of Justice.

Paul Goggins (Wythenshawe and Sale East) (Lab): May I press the Home Secretary for an answer on the Child Exploitation and Online Protection Centre, which has established itself as a world leader in protecting children and finding perpetrators? All the evidence points to the need for an independent organisation focused on child protection. Why does she want to shoehorn CEOP into the national crime agency?

Mrs May: There is no suggestion of shoehorning anything. The right hon. Gentleman is absolutely right that CEOP has built up a significant reputation through the important work that it has done. I pay tribute to CEOP and Jim Gamble for everything that they have done in that area. However, we are not talking about shoehorning it into anything. What we are talking about is greater co-ordination across a range of activities under the national crime agency, and CEOP will be part of that.

Mr Aidan Burley (Cannock Chase) (Con): May I congratulate the Home Secretary on her commitment to looking for a cost-effective way of re-establishing the single non-emergency number, 101? May I also urge her to undertake to build on the pilots already established in Hampshire and elsewhere, and roll out the number nationwide as quickly as possible, so that the general public can have a quick and easy way to report crime and antisocial behaviour, and an alternative to the overloaded 999 number?

Mrs May: I thank my hon. Friend for making an important point. Let me take this opportunity to put on record my thanks to him for the work that he did at an early stage of the introduction of the 101 number pilots. The 101 number is an important development, and we will do all that we can to ensure that we introduce it cost-effectively.

Caroline Lucas (Brighton, Pavilion) (Green): Can the Home Secretary explain how having elected police commissioners will genuinely be a step forward for democracy when it is likely to lead to senior police officers being chosen not for their ability to do the job, but because of their party allegiance?

Mrs May: As the hon. Lady will know, the question of party allegiance does not arise in relation to chief constables, because members of the police force are not able to be members of political parties. We are absolutely clear that chief constables will retain their operational independence. It is important that they and the police in this country are able to operate without fear or favour, and we will maintain that. However, according to a Cabinet Office survey conducted under the last Labour Government, at the moment, only 7% of people in this country know that if they have a problem with the police, they can go to their police authority. We will clearly be ensuring democratic accountability for the police at local level through the introduction of police commissioners, although I am sorry that the hon. Lady has such a jaundiced view of the views of the British people.

Graham Evans (Weaver Vale) (Con): As a special constable who served in the Cheshire constabulary, I welcome my right hon. Friend's statement about increasing the number of special constables. Does she agree that these unpaid volunteers are an excellent and cost-effective way to fight crime?

Mrs May: I am grateful to my hon. Friend for raising the issue of special constables. I thank him for what he did as a special constable and place on record the thanks of the whole House for the work that all special constables do in helping the fight against crime. They play an important role, and we intend to encourage more people to take it on.

Robert Flello (Stoke-on-Trent South) (Lab): Many of the improvements that the Home Secretary has talked about are already happening on the ground in Stoke-on-Trent, thanks to people such as Inspector Sharrard-Williams. Recently, however, the House might have seen a man who runs the British National party claiming that he has 1 million followers—that is, 1 million people voting BNP—in the UK. What happens when the BNP stands for one of these commissioner posts, as will happen, and gets it?

Mrs May: This is something that the hon. Gentleman and his colleagues have raised on a number of occasions, and I will give him two answers. If he looks at the voting record so far, he will see that the British National party has never managed to get more than 15% of the vote in an election. But let us set that to one side; I actually believe in trusting the people of this country.

Rehman Chishti (Gillingham and Rainham) (Con): I welcome the Home Secretary's statement as a way of empowering communities and making our streets safe. With regard to unnecessary bureaucracy, what steps are being taken to review the work of the NPIA, which costs millions and achieves nothing, according to some senior police officers?

Mrs May: I thank my hon. Friend for that question. The document makes it absolutely clear that we will be phasing out the NPIA. We will review its functions, and we believe that it will be necessary to transfer some of them elsewhere, but the NPIA will be phased out.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): Neither the Home Secretary nor I would want to comment on ongoing investigations, but I hope she will agree that the Northumbria police force recently faced a huge and complex challenge and that it responded to it admirably, with the support of police forces across the north. Will she explain to me and my constituents how this top-down reorganisation, combined with cuts in central and local funding, will enable the Northumbria police force to rise to such challenges in the future?

Mrs May: The hon. Lady is absolutely right to say that I would not want to comment on the ongoing investigations into the recent work of Northumbria police in relation to Raoul Moat. I would say, however, that that was a good example of how a police force can bring in resources from elsewhere. It brought in resources from across the country, including from the Police Service of Northern Ireland, the Met and other local forces, in response to a very difficult situation involving a callous murderer, Raoul Moat. I would say to the hon. Lady that we are not imposing a top-down reorganisation; we are talking about restoring democratic accountability, which will enable the link between the police and the public to be restored.

Amber Rudd (Hastings and Rye) (Con): What effect does my right hon. Friend expect the national crime agency's border police force to have on the number of illegal immigrants, which the previous Government estimated to be around 700,000?

Mrs May: I thank my hon. Friend for her question. It has been a long-standing concern of ours that we need to strengthen our border protection through the introduction of a border police force. We will do that within the national crime agency, which will enable the work of border police force, bringing together the work of the UK Border Agency, Her Majesty's Revenue and Customs and other agencies, to link in with the work of the serious organised crime command. That will not only strengthen our ability to protect our borders in the way that she suggests, but will enable us to protect this country against serious organised crime.

Helen Goodman (Bishop Auckland) (Lab): What is the point of the Home Secretary giving a paean to police community support officers when she is overseeing a programme of cuts that has resulted in Durham constabulary announcing last week that it would have to remove 200 such officers?

Mrs May: I believe neighbourhood policing to be an important part of our police landscape. The work that can be done at local level by warranted officers and PCSOs forms an important part of the golden thread that runs from neighbourhood policing through to national issues. The hon. Lady mentioned cuts in police budgets. The in-year cut in police budgets this year is less than 1.5% across the country, and we all know why. This will probably be a cause for groans from Labour Members because they know what the answer is: those budgets have been made necessary by the legacy of economic mismanagement by the previous Labour Government.

Christopher Pincher (Tamworth) (Con): Last week, Staffordshire police authority announced the appointment of its first full-time chief executive, with a salary of £85,000. Does my right hon. Friend agree that the people of Staffordshire would rather have more influence over policing priorities than see the appointment of another unelected, unaccountable and expensive bureaucrat?

Mrs May: The whole point of the structure that we are proposing is that, after May 2012, there will be directly elected police and crime commissioners who will set the budget and the strategic plan for the police, and ensure that the decisions being taken are in line with the interests of the people and with fighting crime.

Yvonne Fovargue (Makerfield) (Lab): Given the amount of sensitive information to which the elected commissioners will have access, will they undergo security clearance before standing for election? What would happen after the election if they were elected without the appropriate level of clearance?

Mrs May: If the hon. Lady is implying that people who wish to stand for election should somehow be required to have security clearance, that is a new and interesting thought, but it is not one that I intend to pursue.

Robert Halfon (Harlow) (Con): Is the Home Secretary aware that the chief constable of Essex has said in a written statement that the opportunities presented by elected police commissioners include the potential for less cost, less bureaucracy and greater public clarity? Will she agree to meet the chief constable with me, and to support local people who believe in local democracy for local policing?

Mrs May: I am grateful to my hon. Friend for reporting to the House the comments of the chief constable of Essex, whom I would be delighted to meet. We have been meeting chief constables across England and Wales to discuss the proposals, but I would be happy to hear what he has been able to do to fight crime and reduce bureaucracy in Essex.

Alex Cunningham (Stockton North) (Lab): The Home Secretary has not addressed the effect of police budget cuts on her ideas. Does she not agree that elected commissioners are already doomed to fail, as thousands of neighbourhood police and thousands more police community support officers, for instance in the Cleveland police force, are removed from the communities they have served so well?

Mrs May: No, I do not agree that that is the implication of what we are doing. I suggest that the hon. Gentleman speaks to the shadow Home Secretary, who, when challenged during the general election campaign to guarantee that there would be no cuts to the number of police officers under a Labour Government, simply said that he could not make such a guarantee.

Mr Peter Bone (Wellingborough) (Con): I thank the Home Secretary for making the statement now, because in past years such announcements were made during the recess when the House could not question a Minister. The UK Human Trafficking Centre in Sheffield is closed and has been incorporated into SOCA, which is now being closed and will become the NCA. Are the Government still committed to combating human trafficking?

Mrs May: Yes, we are indeed still committed to combating human trafficking. Setting up the national crime agency, with not only the serious organised crime command but the border police force and increasing broader protection, will, I believe, enable our fight against trafficking to be even stronger.

Nic Dakin (Scunthorpe) (Lab): Will the Home Secretary tell us how much directly elected police commissioners will cost?

Mrs May: I have already referred to that question, which was raised by the shadow Home Secretary. We will in due course publish figures about the cost of directly elected commissioners. As I have said elsewhere, the introduction of directly elected commissioners is not an attempt to make savings; it is a long-standing commitment, which we believe is necessary to reconnect policing and the public.

Geoffrey Clifton-Brown (The Cotswolds) (Con): Will my right hon. Friend assure the House that these commissioners will not have a new paid bureaucracy created around them? Instead, might they be assisted by an unpaid advisory board?

Mrs May: I am grateful to my hon. Friend for that positive suggestion, which I am happy to consider.

Chris Williamson (Derby North) (Lab): Did the Tory party not claim to be the party of law and order in the past? Is the Home Secretary not embarrassed to be the first Tory Home Secretary to set out to undermine the police with the proposed cuts? Does she agree that gimmicks are no substitute for substance?

Mrs May: The police have been undermined by the way in which Whitehall has set them targets, and by having to look constantly to Whitehall in relation to what they do. Instead, they should respond to the needs of people in their local area. We are strengthening the ability of police to fight crime, slashing bureaucracy and enabling police officers to get out on to the streets, where the public want to see them.

Mary Macleod (Brentford and Isleworth) (Con): Does the Home Secretary agree that the 101 phone number is an important tool in understanding real levels of crime, and that it is also effective in helping police officers to know where to tackle the problem areas in the community?

Mrs May: My hon. Friend makes an extremely valid point. The 101 phone number is important, and that is why we are considering introducing it nationally. The information that we will make available about crime at street level will also be important in helping people to tackle crime locally.

Emma Reynolds (Wolverhampton North East) (Lab): Does the Home Secretary accept that there will have to be a reduction in the number of front-line police officers as a result of the additional cost of directly electing police commissioners?

Mrs May: No.

Mr Philip Hollobone (Kettering) (Con): I declare my interest as a special constable serving the British Transport police.

Given that half of all crime is committed by 10% of criminals, may I urge my right hon. Friend to consider that one of the best ways of promoting policing in the 21st century would be to ensure that persistent and prolific offenders served their full time in jail?

Mrs May: I commend my hon. Friend for his work as a special constable with the British Transport police. The work that they do is often forgotten, but it is an important part of the fight against crime and the job of keeping people safe.

I think that what we need to do to protect people from crime is ensure that when offenders have served their time, we can reduce the likelihood of their reoffending.

Chris Leslie (Nottingham East) (Lab/Co-op): Is the Home Secretary embarrassed about the fact that she has not even had time to figure out the cost of the separate police commissioner apparatus? What on earth has she got against good old-fashioned democratic local government as the best way of holding the police to account?

Mrs May: I have absolutely no embarrassment in coming to the House and making it clear that what we will do is restore democratic accountability to the police through the direct election of commissioners. The hon. Gentleman speaks of local government. As a former councillor, I believe that local government is an important part of the strength of government in this country, but I also believe that most people do not know what their police authority is, or that they can consult it with a problem relating to their policing. Now they will have an opportunity to vote directly for the individual who will be their police commissioner.

David Tredinnick (Bosworth) (Con): I congratulate my right hon. Friend on going for it and introducing directly elected commissioners. They have been very successful in other parts of the world, particularly the United States. However, has she thought about the situation that might arise if a directly elected commissioner had one policy and she had another, based on the national interest? How would that situation be resolved?

Mrs May: I thank my hon. Friend for raising that prospect. One of the purposes of directly elected commissioners is to be responsive to local needs. Of course it will be necessary to ensure that the collaboration between police forces that I referred to earlier can be undertaken when necessary, and that will also involve ensuring that national policing issues are addressed properly. However, it is not the Home Secretary who should determine what happens in regard to local policing—which is what happened under the Labour Government—but the directly elected commissioners.

Graham Jones (Hyndburn) (Lab): The cost of elections in Lancashire is expected to be at least £1 million. Given that the Home Secretary has just said that there is no money, can she tell us whether they will be paid for by the Treasury or by Lancashire taxpayers?

Mrs May: As I said earlier, we will release figures for the costs in due course.

The hon. Gentleman claims that I said that there was no money. In fact, it was the former Labour Chief Secretary to the Treasury who said that.

Barry Gardiner (Brent North) (Lab): Now that her right hon. Friend the Justice Secretary has explained that crime fell under Labour because of a rise in living standards, by what measure does the Home Secretary estimate that crime will rise as a result of cuts in public services, the rise in VAT and rising unemployment? Will the direct election of commissioners mean higher living standards for anyone other than the commissioners themselves?

Mrs May: That was a slightly convoluted question, if I may say so. I believe that directly elected commissioners will ensure that the police forces in their areas are responsive to local needs rather than being responsive simply to the bureaucratic imposition from Whitehall, as they were under the Labour Government.

Glenda Jackson (Hampstead and Kilburn) (Lab): Notwithstanding the Home Secretary's response to her hon. Friend the Member for Bosworth (David Tredinnick), who gave the example of directly elected commissioners in the United States, is it not the case that, far from crime falling there, the United States has vastly larger crime totals than we do and vastly overcrowded prisons? Is it not also the case that once elected, the directly elected police commissioner tends to spend the next three years campaigning for re-election rather than tackling crime? Is that really the model that the Home Secretary wishes to introduce to this country?

Mrs May: I neither accept nor recognise the picture the hon. Lady paints of what happens with directly elected commissioners in other parts of the world. Labour Members who are so against directly elected commissioners should ask themselves two questions. First, why then do they support the arrangements we have in London, where the Mayor is directly accountable? Secondly, why was it, therefore, that in 2008 the then Labour Home Secretary brought forward proposals for directly elected police representatives?

Steve McCabe (Birmingham, Selly Oak) (Lab): If the Home Secretary will not tell us how much this is going to cost or where the money is coming from, will she at least tell my constituents in Selly Oak that she is not planning to pinch it from their hard-pressed police budgets?

Mrs May: I have answered the question about— *[Interruption.]* No, I have made it clear that we will publish figures in due course. As the hon. Gentleman will know, all Departments are going through the spending review at the moment and the budgets and other figures will be revealed later this year.

Ian Paisley (North Antrim) (DUP): Given that 80% of the Northern Ireland public are aware of their police authority and Policing Board, has the Home Secretary any plans to replicate the mechanisms adopted in respect of the Policing Board for holding a chief police officer to account, namely having elected, as well as appointed, officials on the board who have regular monthly public meetings holding the chief of police to account? Is that not a better way forward than directly electing commissioners?

Mrs May: We did, of course, look at the arrangements in Northern Ireland, but what we propose to introduce in England and Wales will include a directly elected commissioner and a police and crime panel, which will be drawn from local authority representatives and independent people who will be able to ask the commissioner of police to appear before them and explain what has been happening in their area.

Chris Bryant (Rhondda) (Lab): The inevitable logic of what the Home Secretary has said this afternoon is that we should be electing not only police commissioners but the local chief prosecuting officer. Indeed, it seemed from what she was saying earlier that she was moving in that direction. Surely the last thing people want in any of our constituencies is more party political interference in the policing of this country.

Mrs May: We are not talking about party political interference in policing. The picture the hon. Gentleman has painted does not accurately portray what I was saying earlier about directly elected commissioners. The directly elected commissioners will be called police and crime commissioners and they will have a wider role than simply looking at what is happening in relation to their police force; they will be looking at crime more generally and working with community safety partners. We are, however, absolutely clear that the operational independence of the police will remain.

Emily Thornberry (Islington South and Finsbury) (Lab): As I am the final questioner, may I take the opportunity to ask two central questions? First, how much will these initiatives cost and, secondly, by how much will they cut crime?

Mrs May: As I said in response to a number of earlier questions, we will publish figures on cost and the business case for the national crime agency in due course—and I am sorry the hon. Lady had to wait such a long time to ask that question.

Mr Speaker: I am grateful to all hon. and right hon. Members, including the Home Secretary whose pithiness enabled more than 40 colleagues to ask questions on the statement; that was very welcome.

Points of Order

4.48 pm

Kris Hopkins (Keighley) (Con): On a point of order, Mr Speaker. You will be aware of the recent Westminster Hall debate in which we were reminded that one party with representatives elected to this House still refuses to take up its seats yet claims its allowances and expenses. May I ask you to make a ruling as to how we can bring this shameful activity to an end? Do you not agree that it is an affront to Members who believe that it is a privilege to serve and debate in this House, and that it is not, as some others believe, possible to be an associated Member of the Houses of Parliament?

Mr Speaker: I am grateful to the hon. Gentleman for his point of order, and I respect the fact that there is concern about this issue in some sections of the House. First, I am of course aware that there has recently been a Westminster Hall debate on the subject—on 30 June if memory serves me correctly. Secondly, this is a matter for the House. The hon. Gentleman might be aware—and other Members will certainly be conscious of this—that a resolution of the House regarding the use of facilities and the ability to claim expenses that touched on precisely the matter that is of concern to him was passed on 18 December 2001. If the House wishes at any stage to consider this matter again and to debate and vote upon a resolution, it will, of course, be entirely open to the House to do so. This is, therefore, a matter not for the Speaker but for the House. I hope that is helpful.

Kate Hoey (Vauxhall) (Lab): Further to that point of order, Mr Speaker. I welcome what you have just said, which clarifies matters. It might be worth my pointing out that there are Members on both sides of the House who share this concern and would like to see this measure come back to the House, as those of us who voted against it last time might find ourselves in the majority this time.

Mr Speaker: I am grateful to the hon. Lady for that. As she is well aware, she has helpfully underlined and reinforced the point that the hon. Member for Keighley (Kris Hopkins) has just made. It is always a pleasure to be in agreement with the hon. Lady.

Caroline Flint (Don Valley) (Lab): On a point of order, Mr Speaker. On 8 July, I received a written answer from the Under-Secretary of State for Justice, the hon. Member for Reigate (Mr Blunt), assuring me that this week a report would be published on research and statistics

"relating both to false allegations of rape and to other relevant issues."—[*Official Report*, 8 July 2010; Vol. 513, c. 428W.]

I have two unanswered written questions, in which I was pursuing whether or not the Government would be making legislative proposals. However, I read in *The Sunday Telegraph* that an

"MoJ source said: 'We will certainly not be legislating'"

on this issue, and that the Government do not plan to publish the evidence, about which they certainly responded in their answer of 8 July to my question. Although I welcome a U-turn by the Government on this issue, is it in order that they have failed to come to the House to tell us comprehensively what they intend to do on this proposal and how they intend to move forward and let Members on both sides of the House receive information at first hand, rather than through the press?

Mr Speaker: What I would say in response to the right hon. Lady is that the timing of Government statements to the House is a matter specifically for the Government. I hope that I have understood the right hon. Lady correctly with reference to the questions that she has tabled, and what I would say is that if she has not received answers—or, at any rate, substantive answers—to questions, I would very much hope that substantive answers will be forthcoming before the House rises for the summer recess. I very much hope that Ministers from the Ministry of Justice have heard—if they have not heard, I hope that they will hear shortly—precisely what I have just said. That approach seems to me to be conducive to the good conduct of business of the House.

Kevin Brennan (Cardiff West) (Lab): On a point of order, Mr Speaker. During questions the Secretary of State for Culture, Olympics, Media and Sport made reference, in answer to my hon. Friend the Member for Newcastle-under-Lyme (Paul Farrelly), to the political affiliations of the chairman of the BBC Trust and the chairman of Ofcom. Subsequently, in answer to a supplementary question from me asking whether or not he was calling into question their impartiality, he went on to claim that a number of appointments to non-departmental public bodies under the previous Administration had been made in a politically biased way, despite the fact that proper procedures had been put in place for public appointments during the previous Parliament. Given your ruling that when Ministers speak from the Dispatch Box they are speaking on behalf of the Government, can we have a statement from the Government on whether or not they believe that public appointments made under the previous Administration were made for political reasons and were not made through the proper public appointments procedures, which were set up and in place, and on whether they have confidence in those public appointments?

Mr Speaker: It is always a pleasure to hear points of order from the hon. Gentleman. Something tells me that at least in part of his point of order—I will be generous and say "in part"—he was seeking to continue an earlier argument. That in itself would not constitute a point of order and might almost risk becoming disorderly. What I would say, which may be of interest to him and to others in the House, is that when reference is made to individuals outside this place, such reference should be made with care, restraint and circumspection. I hope that that is helpful to the hon. Gentleman.

BILLS PRESENTED

Local Referendums Bill

Presentation and First Reading (Standing Order No. 57)

Zac Goldsmith presented a Bill to make provision about binding local referendums; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 3 December, and to be printed (Bill 66).

Recall of Elected Representatives

Presentation and First Reading (Standing Order No. 57)

Zac Goldsmith presented a Bill to permit voters to recall their elected representatives in specified circumstances; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 3 December, and to be printed (Bill 67).

Academies Bill [*Lords*]

[3rd Allocated Day]

Further considered in Committee (Progress reported, 22 July)

[Mr Nigel Evans *in the Chair*]

Clause 3

Application for Academy order

4.56 pm

Dr John Pugh (Southport) (LD): I beg to move amendment 8, page 3, line 11, at end insert—

'(1A) In the case of a member or members of a governing body objecting to an application under subsection (1), there shall be a ballot of the parents of children enrolled at the school, subject to regulations laid down by the Secretary of State.'.

The First Deputy Chairman of Ways and Means (Mr Nigel Evans): With this it will be convenient to discuss the following: Amendment 78, page 3, line 11, at end insert—

'(1A) Before making an application for an Academy order, the governing body shall consult relevant parties on whether to make such an application.

(1B) The Secretary of State shall issue guidance as to how governing bodies should conduct such a consultation with parents, pupils, teaching and non-teaching staff and their representatives, neighbouring schools and the local authority and such other parties as he may think appropriate and such guidance must also specify the information to be made available to consultees in relation to the proposed arrangements for Academy status.'.

Amendment 4, in clause 5, page 4, line 11, leave out 'such' and insert—

(a) the local education authority,

(b) the teachers at the school,

(c) the pupils,

(d) the pupils' parents,

(e) such persons as in their opinion represent the wider community, and

(f) such other'.

Amendment 18, page 4, line 11, at end insert 'including the local authority for that area.'.

Amendment 77, page 4, line 14, leave out 'may take place before or after an Academy order, or' and insert 'must take place before'.

Amendment 9, page 4, line 14, leave out 'an Academy order, or'.

Amendment 86, page 4, line 14, leave out subsection (3).

Amendment 10, page 4, line 15, at end add—

'(4) Consultation on Academy status should not be led by any member of a governing body who may benefit financially as a result of conversion to Academy status or whose salary, terms or conditions may be affected by such conversion.'.

New clause 1—*Reversion of Academies to maintained status*—

(1) This section applies to any former maintained school which has been converted into an Academy under section 4.

(2) The governing body must make arrangements for the holding of a ballot of parents under this section if at least 10 per cent of the parents of pupils at the Academy request it to do so.

(3) The purpose of a ballot under this section is to determine whether the parents of pupils at the Academy want the Academy to be converted into a maintained school.

(4) If the result of the ballot is in favour of conversion, the Secretary of State must—

(a) revoke the Academy order, and

(b) take such other steps as he considers necessary to convert the Academy into a maintained school.'.

Dr Pugh: When were elected this May—God, it seems years ago—we all knew that there was some prospect that politics in this place might never be quite the same again. Many of us, frankly, welcomed that. The huge and welcome influx of new Members gave us all hope that things could possibly be different. That, along with the odd arithmetic of this place and the challenging nature of the country's problems, seemed to dictate that the way ahead would be through rational consensus and for a while—all too short a while—it appeared that tribalism and command-and-control politics were dead; the Chamber and Committees would be important and policy would have to be evidence-led, much to the disappointment of the media, whose preference is always for a good scrap.

What do we have with amendments to the Bill, however? We have the spectacle of Ministers who have already told us that they will accept no amendment, period, and the sight of Whips new and old cracking their knuckles off-stage and perfecting basilisk-like stares in the mirror, persuading people not to vote for amendments such as amendment 8 and others that, it could be argued, align with the spirit and improve the detail of the Bill. Paradoxically, they are doing that because they assume that is how coalition politics work. I say paradoxically, because the amendment-denying Ministers in front of us, whose agents the Whips are, seem to be the most mature, civilised and benign advocates of the new politics. I personally cannot associate myself with the recent comments made by my hon. Friend the Member for Westmorland and Lonsdale (Tim Farron); nor can I afford to drink in the Boot and Flogger. I am simply moving an amendment with which the Committee should be comfortable and, frankly, which any Member of any party can and should be free to support.

In the event of a governing body being divided, amendment 8 obliges a school to hold a ballot if a governor or a minority of governors object to an application for academy status. It therefore provides a restraint on a motivated group of governors misrepresenting or riding roughshod over parents' wishes.

Mr Evans, you might recall that under Mrs Thatcher, in the Education Reform Act 1988, a parental ballot was an essential precondition of the change to grant-maintained status in any school. There were votes across the country on those matters. Sadly, subsequent Governments seem to have lost interest in the views of parents and, in my view, have disempowered parents, with one exception. Tony Blair insisted that the change from grammar school status required a parental ballot and that condition survives and is effectively incorporated in this Bill.

Can anyone in this Chamber give me an argument for why grammar school parents should be balloted before the status of their school changes and parents of children at other schools should not? I am at a loss to find such an argument. Why should grammar school parents have a right that primary school parents, comprehensive school parents and special school parents do not have? Will anyone agree with the former and present me with a good argument for voting against the latter?

Andrew Percy (Brigg and Goole) (Con): Presumably, the reason is that a change from grammar school to non-grammar school involves a change in admission arrangements for the cohort coming in the new year. With an academy, the admissions code remains the same and all that effectively happens is that the school organisation changes.

Dr Pugh: That was very quick off the mark. I anticipated that point being made, but a change in governance is quite as significant as a change in admissions, and most parents would think so.

Mr Mike Hancock (Portsmouth South) (LD): Does my hon. Friend accept the suggestion that there are to be no ballots because most of them might be lost if parents knew all the facts? That situation is being avoided simply by not making provision for a ballot in the first place.

Dr Pugh: My hon. Friend suggests a cynical intention on the part of Ministers and I hesitate to endorse that. People must reach their own conclusions as to whether such an intention is present.

Is anyone going to give hon. Members a good reason to vote against my amendment, which would not even give parents the same rights as the parents of children at grammar schools but would be conditional on a governor objecting to proposals? I cannot for the life of me see why anyone would vote against it, but I suspect that nearly 300 will.

Let me be clear that I have no prejudice against grammar schools. I went to three of them—expelled from none, I hasten to add—and I taught happily at an ex-direct grant, independent school for 15 years. I am agnostic about educational structure and this is just a matter of logical consistency. In our debates on this issue, the hon. Member for Epping Forest (Mrs Laing) has called on the Opposition to

"acknowledge that parents should be the people who have the greatest say in their children's education".—[*Official Report*, 19 July 2010; Vol. 514, c. 43.]

The hon. Member for Peterborough (Mr Jackson) has accused Labour of not trusting people

"with the education of their own children."—[*Official Report*, 19 July 2010; Vol. 514, c. 118.]

And the Minister has claimed that he wants to ensure that parents are "happy with the quality" of educational provision. The hon. Member for Altrincham and Sale West (Mr Brady) has assured us that

"the Conservative Front-Bench team takes the view that parents should have more choice".—[*Official Report*, 21 July 2010; Vol. 514, c. 444.]

They are all wise and experienced politicians who must know, as we all do, that governing bodies can sometimes splinter, be out of touch or be monopolised or taken over by cliques, particularly given the current chronic shortage of governors nationally; it is quite difficult to get people to become governors. Governing bodies also can and might misread parental opinion.

There is a general concern, which I share, about people who are temporarily and contingently nominated as the governors of a state school being entitled unilaterally to change the status of an asset that is paid for and financed by the whole community without the consent of that community or its elected representatives. Setting that concern aside, however, changing the status of a school without allowing the parents of children at the school a decisive voice is extraordinarily hard to justify, especially given the discretionary and entirely unspecific nature of the consultation arrangements in the Bill. The only motive that I can see for opposing my amendment, other than the dishonourable motive that my hon. Friend the Member for Portsmouth South (Mr Hancock) has suggested, is a relative indifference to parental wishes.

Mr Hancock: Does my hon. Friend agree that if the possibility of a ballot taking place arose, it should not be just the parents of children at the existing school who were allowed to vote? It would have to be wider than that and take in the parents of children in feeder schools, as they would be the major beneficiaries, and if not them, the wider community as a whole. As we have argued time and again in our debates on this issue, secondary schools are a focal point in many communities and offer more than the teaching of children.

Dr Pugh: I am arguing simply that we should be at least as permissive as Baroness Thatcher was in 1988. My hon. Friend argues that we should be more permissive, but the Government are arguing, and anyone who votes against my amendment will clearly be convinced by that argument, that we should be less permissive.

Amendment 9 would delete the words "an Academy order, or", the effect of which would be to ensure that consultation on academy status would have to occur prior to the order being made. It is good common sense and, in essence, it is supported by the Chair of the Education Committee. As he said on Second Reading:

> "The Government's concession in clause 5 at least makes governing bodies consult those whom they deem appropriate, but it is blunted by the fact that they do not have to do so prior to applying to the Secretary of State and because they can do so even after they have been issued with an academy order. Those consulted in such circumstances would have good grounds for feeling that they were participating in a charade."—[*Official Report*, 19 July 2010; Vol. 514, c. 49.]

I do not think that it is our business in this place to encourage charades.

I am aware that, from time to time, it suits Members to parody, simplify and stereotype their opponents. The last Government are characteristically portrayed by the current Government as an unmitigated disaster and, in return, Labour Members portray the Government as an unmitigated evil. If people want to live in a world of hyperbole, that is fine—if a little wearisome—but let us conduct a simple thought experiment. Let us imagine a Government—any Government—different from ours, who propose to allow a public institution to change its character. They agree that the institution must consult people about the change, but they allow consultation only after the irreversible change has happened. Would Members back such a Government? Would they applaud them? What would be the point of consultation? What would that process do for public cynicism about public service consultation—already significantly eroded by the pseudo and sham consultations organised by the previous Government? But on the coalition side of the Chamber, how many quotes—showing our previous attacks, time and again, on sham consultation—do we want dragged up and used against us? At least those consultations did not take place after the event. Why do we want to invite comparison with the twisted politics of a communist plebiscite?

Is the only reason why we support the provision that the Government are proposing it? I notice that no one has said that post-hoc consultation is a cracking idea. It cannot be a case of "my Government right or wrong". That is not a good basis for a working democracy. It will not help the Government if we vote for indefensible nonsense. It will not help the Government if we vote, but compromise our beliefs in the process. Inconsistency and duff arguments will not help the coalition in the long or short term.

Amendment 10 is genuinely probing. It makes the obvious and, for me, slightly unkind point that the last time schools were given greater financial freedoms under local financial management, which I have always supported, nearly every governing body was presented with a paper from the headmaster showing that his salary should go up because the headmaster down the road would be getting a significant increase. We saw salary inflation across the headmaster class, so headmasters may have something to look forward to from new academy status. Of course, they may not think in those terms, and I am sure that the majority do not, but the point is pretty obvious to all of us—imagine asking MPs to consult on a change that might possibly result in improved salaries. The concept of declaration of interest has some relevance in these provisions, so it is important that consultation is led by those who have none.

I acknowledge that I have not shown a lot of enthusiasm for the Bill, but despite that and despite my doubts as to its cost and effects, I am not seeking to derail it. I do not wish to cause trouble. Free schools and academies are in the coalition agreement. All I hope I have done is to make a case for good sense, which I think most people are up for, the primacy of the Commons Chamber, which I think most of us support, and the right of parents to be taken seriously. I hope rational beings on both sides of the Committee will see their way to supporting the amendment.

Caroline Lucas (Brighton, Pavilion) (Green): I want to speak to new clause 1, on the reversion of academies to maintained status, and amendment 4, on consultation on conversion to an academy. I shall concentrate the majority of my remarks on new clause 1, and will speak only briefly to amendment 4, as consultation has been pretty much covered in our previous debates.

I tabled new clause 1 because there is no provision in the Bill for academies to revert to maintained status. That means that all the potential problems that the Bill would permit—such as restrictive curriculum, discriminatory admissions and employment policies—would be made permanent at the point of conversion. The Government admit that problems are likely. I have cited this before, but it bears repeating that the Minister responding for the Government in a debate in the other place stated:

> "I fully accept that if you trust people things do go wrong, but that is the direction that we want to try to go in."—[*Official Report, House of Lords*, 7 July 2010; Vol. 720, c. 299.]

[Caroline Lucas]

It beggars belief that the Government would not want to guard against certain things going wrong, so is it really necessary to give schools complete freedom over admissions, curriculum and employment just to show that the dedicated people running our schools are trusted? I would argue not. The public are funding these schools, so on their behalf we must ensure that children are protected from indoctrination, that they are taught key subjects and that their staff are fairly treated. But given the Bill's failure to make proper consultation mandatory when schools convert to academy status, it is crucial to have a mechanism for parents to say that they want their schools to revert to maintained status if, as an academy, things do go wrong.

The Government want academies to be like private schools funded by the state, yet if things go wrong at a private school, parents have more recourse than parents of children at an academy as envisaged in the Bill. For example, if a private school behaves in a way that a parent does not like, the parent can stop paying the fees, withdraw their child or pay for their child to go somewhere else. There is no comparable control in the Bill for parents of children in academies. For example, it may well not be practical or possible for there to be the surplus capacity necessary for children to be pulled out of one academy and be sent to the next state-funded school of choice.

If parents see things going wrong in schools and believe that the Government's complete trust has been misplaced, surely they should be able to do something about it. The amendment is designed to provide a remedy to parents as a group—if, for example, an academy failed to teach key subjects or sought to impose religious beliefs on pupils. The amendment means that where 10% of the parents of pupils at an academy request it, the governing body must make arrangements for the holding of a ballot of parents to determine whether they want the academy to be converted back into a maintained school. If the Government are in favour of decentralising, as they constantly say they are with their big society rhetoric, why do they not want to let parents have the power to act if they decide that an academy is not better and if they want the school to go back to being a maintained school?

Mr Edward Timpson (Crewe and Nantwich) (Con): On the practical aspects of the amendment, as opposed to the principle that the hon. Lady has already articulated, will she explain why she arrived at the 10% figure as a threshold before a ballot is triggered? As to the ballot itself, once the mechanism is in place, what majority would apply to the ballot—50% or more—before academy status could be withdrawn?

Caroline Lucas: I am grateful that the hon. Gentleman takes the amendment sufficiently seriously to want to know such a level of detail, which is very encouraging. It seemed to me that 10% was a reasonable threshold, but I would be delighted to discuss the issue in more detail with other Members who might want a slightly higher threshold—I would not have thought we would want to make it lower— and I am equally open to suggestions as to the necessary majority. Perhaps a simple majority would not be enough and a two thirds majority might be better. At the moment, however, I am using the amendment to set out a basic principle.

Vernon Coaker (Gedling) (Lab): I think that the hon. Lady's amendment puts forward a good point. However, does not the intervention from the hon. Member for Crewe and Nantwich (Mr Timpson) highlight the problem with the process that we have to go through in that the hon. Lady could have the most brilliant idea ever and be like Cicero in presenting it, but it would make no difference at all because there is no Report stage for the Government to consider her point and table appropriate amendments?

Caroline Lucas: I am very grateful to the hon. Gentleman for coming to the rescue. That was an exceedingly good point, which completely reinforces the fact that we are being forced to rush the Bill through at breakneck speed for no better reason than, presumably, the Secretary of State wanting to put a notch up and say that he has managed to achieve something before September. That is not a good way to make decisions. We should be going through the Bill line by line, making proposals and hearing the Government's response so that we are able to create the best possible legislation. We are being railroaded into a charade that is not designed to get the best piece of legislation on to the statute book, and that is what we should be getting.

5.15 pm

Amendment 4, in my name, seeks to make real consultation mandatory before funding arrangements are signed for schools converting to academy status. Again, the lack of consultation in the Bill demonstrates that the legislation is about centralisation, not about empowerment. Rather than power to parents and pupils, the actuality will be the Secretary of State and his civil servants managing thousands of funding agreements with individual schools at the expense of local accountability.

An amendment in the other place means that the governing body of a converting school has to consult those persons whom it thinks appropriate, but there is nothing to prevent a school that is eager to convert from missing out key stakeholders. Proper consultation would enable reflection on accountability and governance, and on whether the freedoms that academy status will bring can be used without disadvantaging other parts of the community. Members will know from what I have said so far that I do not believe that that is possible.

I am sure that most parents would want a direct say over the removal, by severing the local authority link, of their right to democratic influence. The ramifications of so many schools becoming independent are enormous, and children, local parents, teachers, trade unions and the wider local community are surely entitled to have their voices heard. The point, which was made in the other place and by Members of this House last week but not adequately answered, is that article 12 of the UN convention on the rights of the child gives children the right to express views on all matters affecting them. Failure to consult students on matters that might significantly alter the ethos and curriculum of a school is a retrograde step, and it makes a mockery of the Secretary of State's empowerment claims.

Consultation should be central to the Bill. It is not sufficient to rely on the role of parent governors or TUPE regulations for staff, because they do not adequately equate to proper consultation on abandoning the education

system as we know it. For example, I have no doubt that, on the conversion to academy status, many staff will have well-informed views that go well beyond the question of the transfer of their terms and conditions.

To sum up, on reversion to maintained status, why does the Minister want to deny parents the power to trigger a ballot? And on consultation, why is he in such a hurry? Why does he not have time to listen to those affected?

Mr John Redwood (Wokingham) (Con): It was a pleasure to hear the hon. Member for Southport (Dr Pugh) looking back with such fond nostalgia to those democratic, halcyon days of the Baroness Thatcher of Kesteven. I did not know that he cared quite as much, but it was a wonderful trip down memory lane. I have a lot of sympathy with the hon. Gentleman in usually favouring democratic solutions and thinking that consultation is good and voting better, but sometimes the best can be the enemy of the good. What we have from Ministers is the opportunity for schools that so wish to obtain greater freedom to serve their pupils, parents and the wider community by having more to spend of the money that is properly theirs in the educational budget, and greater freedom to decide who they employ and how, and what they do in the classroom.

The Bill does not, as the hon. Member for Brighton, Pavilion (Caroline Lucas) suggests, set up some kind of complete freedom, whereby iconoclasts can seize control of a school and ignore all kinds of standards and requirements; those schools will still be within the state sector, monitored and regulated, and they will still need to achieve standards. There will be a great deal of interest from the local community, but there will still be the national regulatory scheme, too, so the hon. Lady was just trying to shock the Committee and is not living in the real world.

Caroline Lucas: Is it not the case that, if one gives academies the right to choose their own curriculum and opt out in so many respects from the local authority, one is giving them exactly those freedoms? I do not think that anything that I have said is designed to shock; my remarks exactly reflect the Bill. It will give academies incredible freedoms that other schools do not enjoy, and it will have huge ramifications for the rest of the local authority, as academies drain resources from it and from other schools. That is why consultation is so important.

Mr Redwood: That is a completely different argument from the one that the hon. Lady made in her speech, in which she said that these schools would be free of all checks, balances, regulation, inspection and control, and that they would go wrong. She seemed to be implying that we were giving schools the freedom to do badly. That is a particularly fatuous argument, because parents have considerable influence through governors and through their own voice, and they would take a great deal of interest. The number of pupils applying to go to the school would drop off very rapidly if the kind of disaster that she envisaged in her remarks came true, so I do not see that happening. I think that a combination of national regulation, the framework of law and local pressure would, on the whole, be benign.

Now the hon. Lady is arguing a rather different case—that these academies are going to be so successful, because they have all these excellent freedoms, that they will attract more and more people from the local community at the expense of the other schools in the area. I wish it were so. I do not think they will be that successful and take all the pupils from the local area, but if they are very good, I welcome the fact that more people will want to send their children there. That is a benign pressure to place on the other schools in the local area. It may be, however, that some of the more traditionally maintained schools act as the beacon that she would like to see.

Caroline Lucas: To clarify my point, I am talking about the fact that these schools will drain resources away from other schools. That is already happening in my constituency with the existing academies established under the previous Government, and it will happen even more under the new Government's proposals. I am talking about resources coming out of other schools because academies will essentially outsource things such as special educational needs provision and other co-ordinating methods that were usually undertaken by the local authority. That means that the local authority will have less money to perform those same roles.

Mr Redwood: The main mechanism by which academies could take more of the money would be by their being extremely popular and attracting more pupils, because most of the money follows the pupils. That is a thoroughly benign pressure. If these academies are going to take off and develop extremely good standards and reputations, they will attract more pupils and get more money, which they will need because they are teaching more pupils, and the other schools will need to pull their socks up. If the outcome is not as successful as that, the hon. Lady's worries should fall away. Surely she must accept, however, that we need some challenge and improvement in the system, and that there is nothing wrong with choice.

Why is it that someone like the hon. Lady does not trust anybody other than the state and is never prepared to give anybody any freedom to initiate, innovate, change and improve? Cannot she see that we desperately need to raise school standards, and that we need to do something to try to make that happen? Her system was tried for 13 years, and it did not work.

Bill Esterson (Sefton Central) (Lab): The right hon. Gentleman's point about trust is unfortunate, to say the least. Governing bodies do not always get these things right, and that is why some kind of mechanism needs to be in place. The amendments are trying to achieve that and to remedy some of the problems caused by our not having enough time to do the job properly in Committee.

Mr Redwood: I have said that I love democracy, and it is often a good idea to give more people more votes. However, let me deal directly with the issue. Parents are not without powers or influence in this situation; if they were, I would immediately sign up to the amendment tabled by the hon. Member for Southport. I suspect, however, that Ministers will argue, like me, that it would be a nice addition but is unnecessary because there are other checks and balances in the system.

[Mr Redwood]

Let us consider those elements. First, there is an elected local authority that will have a lot of influence and control over these schools. Its voice will be heard because it has considerable influence over the appointments of the very people who will be making this proposal or decision for each school. The local authority often has members on the governing body, and the governing body has parent representatives. If the parents became alarmed by the way in which the head teacher and the senior governors were moving, they would presumably make their voice heard through the parent governors or use their ability to change those governors to make the point.

Pat Glass (North West Durham) (Lab): The evidence suggests that it takes seven years for a school to gain or lose a reputation, so it is not correct to say that the parents have this power to change things immediately. That is not going to happen—it will take a long time, and in the meantime children will lose out.

Mr Redwood: That may well be the case generally, but not in this situation. Changing to an academy is a one-off event of some significance in a school's life, so parents would be well aware of it and the school would communicate with them. If the parents were alarmed, I am sure they would make their views known. I know that parents of children in my local area are well attuned to what is happening in their local school, and if they are alarmed by something that is going on, they soon raise it. They can do so directly with their councillors, with their MP or with the school's governors.

Mr Mike Hancock: I understand and accept entirely the right hon. Gentleman's point about the checks and balances being in place once a school is created, but the amendment is about whether people should have a choice about such a school being set up. Is he saying that the parents of potential pupils at such a school should not have a say in whether it should change its status? He is perfectly right about what happens after the event, but this is about what happens before the change.

Mr Redwood: If an entirely new school is being set up, it is up to the people putting forward that proposition to make their own decisions and canvass the marketplace to see whether people are likely to go to it. If there is a proposal to change a school's status, parental opinion is very important, but I suggest that under the system set out in the Bill, which develops the current system, there will be plenty of opportunity for parents to make their views known. They can do that directly by talking or writing to the head teacher or governors, or they can get different people on to the governing body if they are really worried.

My experience is that people care desperately about the education of their children, and if they thought that the head teacher and the small group in the governing body who were trying to steer a change through were getting it wrong, they would make their views known very strongly. I suspect that the head and the governing body would moderate their stance or back off if they felt they had lost the confidence of their pupils and parents.

Dr Pugh: The right hon. Gentleman is sketching out various alternatives to a more democratic arrangement. I understand his argument, but is he not also making an overwhelming argument not to proceed in September? All the things that he asks parents to do cannot be done, because the parents are on holiday and the school is shut.

Mr Redwood: It cannot be done on that short a time scale—these things will take a bit of time to go through. As soon as schools want to make a proposal, they will have to put in an application, and of course they will notify parents at that time. It is quite possible for them to do so by e-mail or post in the school holidays, and the schools will be back in September, when there will be opportunities for the dialogue to continue.

Mr Iain Wright (Hartlepool) (Lab): The right hon. Gentleman is being most generous in giving way. May I point him to paragraph 7 of the explanatory notes accompanying the Bill? It states:

> "The Secretary of State expects that a significant number of Academies will open in September 2010 and for the number to continue to grow each year."

As the hon. Member for Southport (Dr Pugh) says, there is simply not the time to consult in the way that the right hon. Gentleman suggests.

Mr Redwood: I think hon. Members are making obstacles where none need occur. Changes will go speedily only if the local community is happy. As soon as it gets out that a school is considering academy status, the local community will be engaged. There are local newspapers, local websites and all sorts of ways to do so, and the usual school grapevines will be in operation.

Opposition Members protest far too much—we all know they hate freedom, and they do not believe that free people can mobilise themselves in a good cause. I can assure them that people can do so very quickly if need arises. They should not be so afraid of the idea that their local schools might want a bit more freedom and a bit more of their own money to spend. It is dreadful that they believe that all their local schools need so much control from the centre that they want ever more regulation and control from Whitehall of the kind that Labour Governments meted out, and continued or increased control from local education authorities in the hope that one day there will be more Labour authorities to exercise it.

Surely it is high time that we set free the schools that wish to be set free. I can assure the Committee that should groups of parents not wish a change to academy status to happen, they will mobilise quickly and democracy will work. It is still alive and kicking.

Alex Cunningham (Stockton North) (Lab): I, too, would like to consider the serious lack of consultation required before establishing an academy, as outlined in clauses 3 and 5. I share the concern of not only other hon. Members, but teachers, parents and other stakeholders, who fear that they could be excluded from the whole process at the whim of just over half a governing body—that could be five, six, seven or eight people—intent on establishing an academy.

5.30 pm

I know that there was much debate in the other place about consultation, but the resulting amendment, which allows the governing body to choose to consult after the academy order is made, does not go far enough. To say that the academy can consult after the event is nonsense, as is the provision that it must

"consult such persons as they think appropriate."

When the previous Conservative Government attempted to persuade schools to opt out of local authority links under the grant-maintained status legislation, parents were not only given the right to be consulted but allowed to vote on whether the school should opt out. That vote was binding on the governors, who had to accept the parents' will. Parent power ruled, and I, for one, trust parents.

Neither the original Bill nor the amendments passed in the other place give parents a guaranteed voice in the process. I can envisage, in many cases, governing bodies riding roughshod over parents and the community and making the changes that they want regardless. I say that because I witnessed the behaviour and the blind ambition of some governors and head teachers in the days of the former Cleveland county council, when the grant-maintained legislation was in place. A majority of governors and a few governing bodies favoured opting out, but the parents rejected that approach and their decision was final. Under the Government's current proposals, such governing bodies could—and, I believe, would—make the decisions and ignore the parents.

Mr Redwood: Why does the hon. Gentleman think that there will be so many schools with governing bodies and head teachers that are completely out of touch with their local parents and want to ride roughshod over them?

Alex Cunningham: That is straightforward. Parents have always made good decisions when electing parent governors, but they have to be able to make bigger decisions, and I believe that they should be consulted.

The Government have chosen to ignore genuine concerns about the Bill. That is not new politics, but old politics of the worst type. Rushed legislation makes bad law. In the words of the National Association of Head Teachers, legislate in haste, repent at leisure. I therefore hope that the amendments that would compel governing bodies to consult parents, among others, will be supported.

Dan Rogerson (North Cornwall) (LD): I welcome you back to the Chair on the third day of our Committee proceedings, Ms Primarolo.

My hon. Friend the Member for Southport (Dr Pugh) presented a strong argument, which the Minister clearly needs to answer, on whether the Bill currently goes far enough in giving those who care about the future of their school the opportunity to be involved in determining it. My hon. Friend set out the case for a ballot and looked back to the previous Conservative Government's decisions about grant-maintained status, which he looked to as a model. Like other hon. Members, he acknowledged that our noble Friends in another place debated consultation at length, hence the provision, which should have been included from the outset, for consultation. The hon. Member for Stockton North (Alex Cunningham) mentioned it, and it has improved the Bill a great deal.

My hon. Friend referred to the parents of children who currently attend the school as the electorate in such a ballot. As my hon. Friend the Member for Portsmouth South (Mr Hancock) pointed out, many other interested parties may wish to be part of it. I therefore think that amendment 8 is a very useful tool for prompting a discussion on who should be consulted and how.

We are considering a series of amendments, which examine consultation and votes in detail. The hon. Member for Brighton, Pavilion (Caroline Lucas) tabled a new clause, which would allow for a reversion to maintained status if there were a trigger. She set out a 10% threshold on that. We could make some sort of hybrid amendment that sets out a 10% threshold of parents to trigger the kind of ballot that my hon. Friend the Member for Southport mentioned, or adopt a model based on the amendments tabled by the Opposition, which are more specific on who should be consulted and how that should happen. The debate is therefore important.

Vernon Coaker: The hon. Gentleman makes a perfectly reasonable point, but the problem is that we cannot amend the Bill unless we win a vote. That is the problem with this process. Frankly, we all feel immense frustration. His point is exactly right, but we cannot amend the Bill.

Dan Rogerson: The hon. Gentleman has made that point on a number of occasions—this afternoon and previously—but the fact remains that it is a question not just of whether we amend the Bill, but how we do so. That is what we are debating. When the Minister responds, he might say what the guidelines are for consultation on aspects of the Bill following debates in another place.

Amendment 8, which was moved by my hon. Friend the Member for Southport, is quite specific about one group of people who will be affected and who may take an interest.

Sammy Wilson (East Antrim) (DUP): I take the point that the hon. Gentleman and others have made on the importance of consulting parents, but surely the Bill already ensures that they will be consulted. Clause 5 is clear that people "must" be consulted. It is also clear that people refers to "such persons as" the governors "think appropriate". Surely to goodness no one would suggest that parents do not fall under the phrase,

"persons as they think appropriate".

Dan Rogerson: The hon. Gentleman made that point in an earlier debate on another group of amendments. He is absolutely right that the Bill, as amended—amendments that were pressed for by my noble Friends in another place—would highlight parents as an obvious, key group for consultation. The question asked in amendment 8 by my hon. Friend the Member for Southport is whether there should be a ballot.

Who should trigger such a ballot? There may be some sympathy for the proposal of the hon. Member for Brighton, Pavilion for a reversal ballot—she suggests that 10% of parents could trigger such a ballot, but my hon. Friend said that an approval ballot should be triggered by one governor. However, one would have thought that even if a governing body, who might have signed up to academy status after a discussion lasting

[Dan Rogerson]

for a considerable period, decides to go for academy status, people outside that group may want a ballot. There are therefore problems with his proposal.

Sammy Wilson: Whether the threshold of one governor or 10% of parents is used to trigger a ballot, does the hon. Gentleman see the danger of a type of guerrilla warfare against a school? Ten per cent. of parents or one governor are very low thresholds. They could keep the debate going on for ever, which only introduces uncertainty on the school's status.

Dan Rogerson: As a seasoned political campaigner, the hon. Gentleman is well aware of the possibilities that are open to anyone at that point.

Dr Pugh: I do not want to accuse the hon. Member for East Antrim (Sammy Wilson) of complete nonsense, but the gist of amendment 8 is a procedure for dealing with an objection. If a governor disagrees, there would be a ballot. The ballot would decide on that objection, and that would be the end of the matter. The hon. Gentleman said that a governor could keep the debate going for ever, but they cannot do so. That is not what the amendment proposes.

Dan Rogerson: My hon. Friend is right that amendment 8 sets out such a procedure, but the question is whether we should adopt it and whether it will allow everybody who might want a ballot to trigger one.

Vernon Coaker *rose—*

Dan Rogerson: I should like to make a little progress, after which I will happily give way to the hon. Gentleman, who I hope will contribute to the debate on this group of amendments.

The key question is this: do we feel that there is enough consultation provision in the Bill? There is also an issue of timing, to which my hon. Friend the Member for Southport and others referred when speaking to amendment 9. Is it possible to have meaningful consultation after an application has been made to the Secretary of State? In the debate in the other place this issue was addressed, and, as I recall, it is the signing of the funding agreement that makes things final. Therefore, should consultation reveal that everyone in the wider community is horrified by the idea of the school becoming an academy, there would be the option not to proceed. In other words, before the final funding agreement is signed, the application could be withdrawn and the process stopped at that point. There is a misunderstanding about when the point of no return is reached. It is not when the application is approved, but when the funding agreement is signed.

Mr Mike Hancock: I hope that my hon. Friend does not find my intervention unhelpful, although he might—*[Laughter.]* Does he agree that the amendments tabled by my hon. Friend the Member for Southport (Dr Pugh) go to the heart of the old Liberal adage about giving people a choice and a chance to have their say? Anything short of support for that would fly in the face of many of the things that we have stood for over the years.

Dan Rogerson: Against my hon. Friend's possible intention, that was a helpful intervention as it gives me the opportunity to repeat the point that the amendment is about one particular group of people who would be involved in the vote, not others who would also be affected—a point that he made in an intervention on my hon. Friend the Member for Southport. It is therefore important that the consultation should be as wide-ranging as possible, but it should take place before the final funding agreement has been signed. It is in that period that a meaningful consultation can take place because there is something to consult on.

Mr Redwood: If there were a good head teacher in a good school who recommended a transition to academy status, a ballot called with a 40% turn-out and 21% of the parents said no to academy status and 19% said yes, would the head master have to resign? Could the head teacher be lost because his proposal had been rejected?

Dan Rogerson: We are moving into uncharted territory with the suggestion of motions of no confidence in head teachers and legislating on that point. It is an interesting point.

I hope that the Minister can tell us how the consultation process will be supported and how it can move forward. I hope that he can reassure the Committee—as those in the other place were reassured—that consultation will be meaningful and allow everyone to have their say. Hon. Members have already raised concerns about the time scale over the summer for those who wish to take early advantage of these measures, and there are schools which do want to take this route. I would be interested if the Minister could say how we can ensure that that consultation is meaningful in those instances.

Amendment 9 is an important one in the context of consultation. It is possible to have that consultation after the application has been made. Amendment 9 would require the consultation to take place between the application and approval by the Secretary of State. It is fair to say that there may have been some discussions already between the Secretary of State and the Department and the schools that started this process before the Bill was introduced. It is possible theoretically therefore that approval could be given quickly. The amendment would narrow the window for consultation between the application being made and being granted by the Secretary of State. If that happened in a short space of time, there would be no time for consultation. We need the consultation to be able to proceed until the signing of the final agreement, which is the agreement that creates the academy and concludes the process.

Dr Pugh: Does it not follow that trying to get academy status by September must be nonsense? Can my hon. Friend sketch out an indicative timetable that includes application, the funding agreement—which is irreversible—and, somewhere in the middle, consultation, bearing in mind that it is only six weeks until September?

5.45 pm

Dan Rogerson: I suspect that my hon. Friend has posed a problem not for me, but for the Minister to answer when he replies to this debate. He is right: as I have already said, the Committee will need some reassurance that those consultations can take place over the summer for schools that wish to proceed quickly.

For the reasons that I have outlined, this is an important debate for the Committee to have. My hon. Friend is to be commended on moving the amendment in his customarily considered way. For that reason, it should be treated as a probing amendment by the Minister, rather than one on which the Committee should be divided, because it would not actually achieve the aspirations that many hon. Members have outlined, and which others will perhaps outline later in this debate.

Roberta Blackman-Woods (City of Durham) (Lab): I would like to speak to amendment 4, and to support amendment 78, on the process of consultation, and amendment 77, on the timing.

I have grave concerns about the Bill. I cannot understand why the provisions are being rushed through for no identifiable reason other than political expediency. The Bill seems to seek completely to undermine the role of local authorities. It seems to be unaware of—indeed, antagonistic towards—the crucial role that those authorities play in planning for special educational needs, equalities, fair admissions, and so on. From my 25 years of being a governor, I know the importance of the local education authority in supporting schools, so it should be quite clear that I am not happy with the Bill. However, it is simply disgraceful to try to force through a re-designation of maintained schools to academies, bringing about a change in governance, curricula and admissions, and a possible loss of amenity to a local community, albeit without any meaningful consultation with them.

Amendment 4 seeks to outline a range of people and groups who should be consulted. They include—obviously—teachers, parents, other local authorities, pupils, potential partners to academies, and the wider community.

Julian Smith (Skipton and Ripon) (Con): Proposed clause 5(1)(c) in amendment 4 lists the pupils. Would the hon. Lady not agree that consulting with pupils aged 11—or, if we give academy status to primary schools, five or six—might be a little stretching for them at that point in their educational cycle?

Roberta Blackman-Woods: The hon. Gentleman makes an interesting point. I have some experience of consulting on an academy—albeit not the sort of the academy proposed by the Bill—and I can assure him that pupils find it very easy to grasp what the change of their school to academy status would mean. However, his point is valid in that there must be a given length of time for a consultation to take place, so that the arguments for and against an academy in an area can be properly explained to everyone concerned. However, the Bill completely overrides any meaningful consultation process.

Bill Esterson: There are many professionals with good experience of how to consult effectively with children. Exactly the same point that the hon. Member for Skipton and Ripon (Julian Smith) has just raised—the point about why children should not be consulted—was raised with me when I was dealing with the establishment of academies in Medway a couple of years ago. However, it is a completely spurious point, as I think my hon. Friend would agree, because even much younger children have good insights. The question is how we go about consulting them, not whether we should consult them.

Roberta Blackman-Woods: My hon. Friend makes a valid point, which demonstrates the lack of seriousness among the Government parties about consulting those in the community. They simply have not thought through how to consult particular groups.

Mr Timpson: When talking about consultation in the education of children, does the hon. Lady recall that the previous Government introduced provisions in the Children, Schools and Families Act 2010—which went through Parliament in the previous Session—relating to the education of home-educated children. Those provisions imposed far more draconian checks and balances on how parents who educated their children at home were to do so. However, there was no consultation by the previous Government when they introduced those provisions, so there has been no consistency from her party on the issue.

Roberta Blackman-Woods: I am quite sure that the previous Government were setting precise and specific standards for home education, because it is really important to ensure that children's education is protected when they are being educated at home.

I shall return to amendment 4. It is important that time should be given to consulting all the relevant groups in an area that will be affected by a new academy. I find the Liberal Democrats' position on this issue rather confusing. The academy that we were hoping to establish in my constituency has been stopped by the Government. It was supported by the local authority, in partnership, and backed by the university of Durham. It had huge support in the local community. It took some time to work through with the local community what the arrangements would mean, but once that had been adequately explained and they had asked their questions of the relevant partners and got the answers, everyone was clear about the way ahead. The parents and teachers were also very clear that they wanted an ongoing relationship with the local authority. If the Bill goes through unamended, as seems likely given the parliamentary process that is being adopted, it will be impossible for parents to have their points heard or to maintain their desired relationship with the local authority. I therefore urge hon. Members to support amendment 4 and amendment 78, so that proper consultation arrangements can be put in place.

I also want to speak to amendment 77, which relates to the timing of the consultation. When I first read clause 5, I thought that there must be something missing. Surely no one could be suggesting that it is appropriate to consult after an academy order has been made. That is clearly ludicrous. When I discussed this with people in my constituency at the weekend, they suggested that we should perhaps applaud the Government for being up front and honest about the fact that they were not going to hold consultations or pay any attention to any consultations that were held. Obviously, if a consultation takes place after an order has been made, they are not going to pay any attention to it. So perhaps the Government are just being honest in clause 5, and saying that, as they are not going to pay any attention to any consultation, it does not matter whether it takes place before or after an academy order is made.

The Minister of State, Department for Education (Mr Nick Gibb): Did the hon. Lady not hear the answer given my hon. Friend the Member for North Cornwall

[Mr Nick Gibb]

(Dan Rogerson), which is that the academy order is not the final moment in the conversion process? The final moment involves the funding agreement, which takes place after the academy order is made, so there will be plenty of time for the consultation to take place.

Roberta Blackman-Woods: I did hear that answer, but many of us fear that, at that point, the process will already have gone too far in a particular direction for it to be stopped. In any case, the Government should adopt best practice, but it is not best practice to carry out a consultation when all but the very last stages of a decision process have already been completed. It would be more honest of the Government to admit that this clause had been inserted in the other place, that they did not want it in the Bill in the first place, and that there is no intention whatever to consult outside the governing bodies. Significantly, they should also admit that no attention will be paid to the outcome of any consultation exercise. This is not what the Government should be doing; it is not good practice.

Andrew Percy (Brigg and Goole) (Con): I should like to speak to amendments 8 and 9 and new clause 1. I shall possibly touch on amendment 4 as well. Over the past few weeks, it has been interesting for me, as a new Member, to listen to Labour Members telling us that a figure of 51% is the correct one in any decision. Today, however, I think it was the hon. Member for Stockton North (Alex Cunningham) who told us that using a figure of 51% was an unacceptable way of coming to a decision. I am interested that their consistency on one argument does not necessarily carry over into another.

There are some sensible reasons behind amendment 9, in that one would probably want a consultation to have begun—and possibly even finished—before making an academy order. I suspect that as schools move along this route, that will indeed be the case. Today, however, I have been struck by the lack of confidence in our governing bodies and our head teachers. It has been staggering to listen to that. I sit as a school governor and I was until recently a school teacher. Perhaps I am judging hon. Members unfairly, but they seem to be giving the impression that governing bodies are educational asset strippers who want to move forward as quickly as possible without any consultation with parents. As a governor and someone who has worked as a teacher, I do not recognise that portrayal of governors as some kind of strange being.

Lisa Nandy (Wigan) (Lab): I take the hon. Gentleman's point about Members not taking governors' commitment seriously. I want to reassure him that that is certainly not the argument that many of us are putting forward. The point about governors, of which I am one, is that they have a strong duty to take into consideration the impact of changes on the children in their school. They attach the utmost importance to that duty. We are also asking them to take into account the impact of the proposed changes on the wider community, but they will be able to do that only if they consult the wider community. Many of us are concerned that that will not happen unless such a requirement is incorporated in the Bill.

Andrew Percy: I thank the hon. Lady for her intervention. Amendment 8 does not mention the wider community; it simply mentions parents. We also now have community governors to represent the interests of the wider community. So it is untrue—sorry, it is incorrect to suggest that governors do not take into account the role of their school in the community. In fact, over the past few years, one of the great moves forward for most schools is that they now recognise their position at the centre of the local community, and no longer see their responsibility ending at the school gate or the perimeter fence. Most schools now work incredibly hard to build links with their communities.

Lisa Nandy: I accept that most schools see their role as being at the heart of their community, and I am grateful for that. The problem arises when a school does not see that as its role, and that is what many of these amendments are seeking to address.

Andrew Percy: I suspect that the hon. Lady and I will have to agree to differ on this point, otherwise we will end up bouncing backwards and forwards. Head teachers, teachers, governors and those who have attended a governors' training course are generally well aware of their responsibilities beyond the boundary fence of their school.

Sammy Wilson: Does the hon. Gentleman not agree that any school that wants a long-term future and wants to attract the necessary intake of pupils to maintain its position will have to take cognisance of what is going on in the community, because without community support it will not get a supply of pupils?

Andrew Percy: My hon. Friend makes that point better than I could. That is precisely why I am making the point today that governing bodies are not full of educational asset strippers. They consist of people who care deeply about their schools and communities and who will not change the governance arrangements of their school without proper consultation with parents, pupils and the wider community. We should pay respect to the people who serve as governors. They are dedicated individuals who understand their responsibilities full well, and they will not proceed without proper consultation.

Mr David Ward (Bradford East) (LD): There seems to be a view that a particular school serves a community, but in many areas the reality is that it serves different communities. A catchment area will include a range of different communities, not all of which might be represented on the governing body.

6 pm

Andrew Percy: The hon. Gentleman makes the point that I was going to make about amendment 8, which limits consultation on the ballot to the parents at the school at the time, taking no account of the wider community or communities. One of the biggest problems that I have with the suggestion of a ballot for parents is this: given that orders can take up to a year to go through, who do we ballot? Do we ballot year 11 parents? Do we ballot year 6 parents from feeder schools? Do we ballot people who might be thinking of having a child at some point? The impossibility of drawing a correct boundary around those to be balloted is the weakness of the ballot process.

Having served as a local councillor who has been through the Building Schools for the Future process, I would like to ask Labour Members who propose ballots this question: where were our ballots on the proposal to merge schools? Where were our ballots on the proposal to close schools? Where were our ballots on the proposal to move ahead with academies, put forward by the previous Government? Such ballots did not exist, and the Government were right not to call for them. Proper consultation with the governing bodies, involving consultation with parents and schools, was the best course of action.

The same applies to health services. In my area, a number of health services have been lost. Trusts have become foundation trusts, and their governance arrangements have changed, but we had no ballots on those proposals either.

Ian Mearns (Gateshead) (Lab): The hon. Gentleman makes a cogent argument for the retention and strengthening of the strategic role of the local authority in education provision, which seems to run against the logic of establishing academies across the piece.

Andrew Percy: The hon. Gentleman will probably be disappointed, as I was about to move on to that point. Labour Members have said a great deal about the role of the local authority, and of parents in relation to it, in control of schools. In the area I represented as a councillor, when parents were up in arms about proposals to close our primary schools, the local education authority was in no position to fight such proposals or to act as a guardian for our local schools, because there is no genuine control by the local authority over education. The surplus places legislation and the Ofsted framework come down from central Government. It is a fallacy that parents are continuously engaged with their LEA about the structure of education in their area. The theory might look and sound good, but the reality is different.

The Bill gives parents a choice—I limit my comments here to maintained schools that become academy schools—to vote with their feet. The hon. Member for Southport (Dr Pugh) wants parents to vote in some form, and I suggest that providing a range of different education facilities in an area enables parents to decide not with a tick in a box but with their feet.

My concerns about new clause 1 echo many of those put forward by my hon. Friend the Member for Crewe and Nantwich (Mr Timpson). We might end up with the strange situation in which 10% of parents are continually unhappy with the governance arrangements and go back for a second, third or fourth bite at the cherry. That is the problem with a 10% threshold, or a 30%, 40% or 49.9% threshold—

Ian Mearns: Or 55%.

Andrew Percy: I am pleased that the hon. Gentleman has come round to the idea of having a 55% rule in certain circumstances.

With the ballots proposal, the risk is that we end up with vexatious and frivolous requests for ballots.

Caroline Lucas: The hon. Gentleman's points underline the fact that we do not have time to discuss the amendments properly. He focuses not on the principle of providing some way for academies to revert to maintained status, but on whether the threshold should be 10% and whether there will be vexatious uses. It is not beyond the wit of mankind to devise ways of further amending the proposal to ensure that it is not put to vexatious use. Will he focus on the principle of the amendment, and say whether he agrees with it?

Andrew Percy: As someone who has been a teacher, I hope that governing bodies will have a way not only to move in one direction but, potentially, to move back.

Dan Rogerson: I agree with the hon. Gentleman that such mechanisms are important, but would he be satisfied with the current provision that at the end of seven years, if the agreement is not renewed, the school would revert to maintained status?

Andrew Percy: My hon. Friend has, I hope, allayed some of the fears of the hon. Member for Brighton, Pavilion (Caroline Lucas). Should the measures not succeed, or should the school not be happy with the position, the Bill would provide a route back.

We should trust governing bodies and governors to do their job. They are dedicated people, education professionals, well-intentioned parents, and well-intentioned people from local communities. They will not steamroller ahead against the wishes of parents and the wider community. They will take on board seriously the views and aspirations of local people. The weakness of not having a range of education provision is that we deny parents and pupils a choice over the curriculum that they want to follow. We end up with parents choosing between school A and school B, which are identical. There is nothing wrong with some competition, with giving parents the choice and with allowing them to vote with their feet. I urge the Committee to vote against the amendments.

Lisa Nandy: I want to speak particularly to my amendment 86, which is a probing amendment designed to understand the Government's reasons for not including in the Bill consultation with key groups, including the wider community, prior to a school seeking academy status.

Previously, when maintained schools converted to academies, the local authority was obliged to consult widely. Although there was no legal requirement for public consultation where a new academy was to be established, the local authority at least had to be consulted. I am worried that that is not being replicated in the Bill. Despite some progress, the current wording on consultation is inadequate, requiring consultation only with

"such persons as they think appropriate".

It is of the utmost importance that parents, pupils, staff and the local authority are consulted.

We have already talked a little about the importance of consulting children. I want also to draw attention to the United Nations convention on the rights of the child, which successive Governments have supported, and which sets the standard by which we expect children to be treated in this country. Part of that is about talking to children and listening to their views on matters that affect them. Few matters could affect children more than that currently under consideration by the Committee.

[Lisa Nandy]

The changes will impact on all the groups to which I have referred, including the wider community, children who are not currently at school, children who are going on to school, and children who are at other schools. I will not rehearse the arguments that were advanced on Second Reading, but it is important to consider those in the context of the amendments.

The Government have said that they are committed to giving parents a greater voice. The National Governors Association has said that, in that case, it would like to see consultation with parents as part of that principle. I reiterate the point I made earlier that governors have a strong duty to put the children in their school first. I would like a provision for prior consultation with the wider community to be included in the Bill. That would mean that, before taking the decision to seek academy status, the governors were in command of the full facts. That cannot be controversial, and I cannot understand why the provision is not in the Bill.

Several groups have raised the concern with me that the wording of the Bill is so broad as to leave governing bodies open to legal action should they not carry out consultation with groups in a way that is considered proper. Will the Minister consider that in his response, as I would hate to see that happening to governing bodies? As a school governor, I would find it extremely worrying to find my school in that position.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Does it not strike my hon. Friend as odd that, while the Government are proposing to allow local communities to engage in consultation and to vote on planning permission for residential developments, they are proposing no such consultation when it comes to the impact on the future of a school and the implications of that for the whole community?

Lisa Nandy: That brings me to a point that was raised with me by the TUC. The Government's concept of the big society appears to feature the involvement of more and more people in the services that they own as members of the community, but this proposal, like some of the other measures that have been pushed through, seems to be directly at odds with that principle.

Andrew Percy: Would the hon. Lady care to comment on the previous Government's conversion of schools to academies, and their school closures? Does she believe that there was proper consultation with parents and pupils then, and does she feel that there should have been ballots?

Lisa Nandy: I believe that we can always do better when it comes to consultation, but I also believe that the standard being set in the Committee today marks an extraordinarily low point in the history of consultation. I think that we should move on from what was done by the previous Government, and ensure that there is more consultation, not less.

Let me emphasise to the Minister that schools are at the heart of their local communities. If there is no consultation with the people who will be affected by the Bill, schools will drive a wedge between themselves and their communities, and I believe that we have an obligation to prevent that from happening. My amendment seeks to establish why the Government do not wish to ensure that the views of the community inform the decisions of schools. I should be grateful if the Minister could answer that question.

Mr Mike Hancock: You will be pleased to know, Ms Primarolo, that I spent most of the weekend trying to pronounce your name without embarrassing myself or you. That is as near to pronouncing it correctly as I can get. I apologise for my rudeness to you last week when I could not pronounce it.

It is a pleasure to follow the hon. Member for Wigan (Lisa Nandy). Is it Wigan? It was on the annunciator screen, but I missed it. It moved so quickly. You know how unaccustomed this place is to things moving quickly, Ms Primarolo, except on the annunciator screen. Anyway, it is a pleasure to follow the hon. Lady, and I had more than a degree of sympathy for what she had to say.

I hope that Members will give serious consideration to some of the issues raised by my hon. Friend the Member for Southport (Dr Pugh) and others, including the hon. Member for Brighton, Pavilion (Caroline Lucas). She made a very good point. The only point on which I disagreed with her was the percentage business: I did not think that that was helpful to the debate.

I am disappointed that the right hon. Member for Wokingham (Mr Redwood) has left the Chamber. He seemed to be digging himself gradually into a deeper and deeper hole, and taking interventions to save himself from burying himself. He appeared to be saying that everyone else could be right, but parents would have to be wrong. Parents could not be trusted to make a decision as important as this, because they might simply get it wrong. Well, who is to say that anyone else is going to get it right?

I should be interested to know what is wrong with giving people an opportunity to discuss and to make a decision. I shall explain shortly why I think that is important, but let me deal first with the notion that the amendment, or something like it, cannot be accepted because there is not enough time. Nothing in the rules of the House suggests that the business cannot be changed. If the Government were minded to accept the amendment, a Report stage could, if necessary, be arranged for tomorrow afternoon. Nothing in the rules states that the summer Adjournment debates must take place at a particular time on the last day before the recess, as long as they do take place. The business could be changed so that both Report and Third Reading could take place tomorrow. There would be nothing to prevent that, if good will existed in relation to bringing parents into the debate about academy status.

6.15 pm

I think it important to spread the franchise. I do not entirely agree with my hon. Friend the Member for Southport that one governor should be able to intercede, to object and to force a parental vote. I believe that the issue is more important than that. Although I personally oppose academy status, I wish existing academies all the best, and if people have a choice and decide in favour of academy status, so be it. However, a determined effort must then be made if the arrangement is to work, and it will not work if feeder schools, and the parents of children at those schools, are not involved in the process.

I believe that one of the ways to make an academy really work is to lock it into an all-through, all-embracing system involving the feeder schools and the secondary school, but those wishing to adopt such a system would have to carry a lot of parents with them.

The questions that we should be asking are "Is this really so good for education?" and "What will an academy do for children that a local authority working with a school cannot achieve today?" Those fundamental questions are lost time and again in our debates in the Chamber. There has been no proper analysis here of the direct benefits that academy status will apparently bring to schools. Will all academies be a success? Are we brazen enough to say that no academy will ever fail? I hope not; that is to say, I hope they will not fail, but I also hope our thinking is not so flawed that we believe every academy will succeed. The problem is, if an academy does fail, who will pick up the pieces afterwards? Parents must be able to engage in a proper, informed debate themselves.

The suggestion that all that can be sorted out in time for some academies to be in existence by September is mind-boggling.

Mr Sheerman *rose—*

Mr Hancock: I see that the hon. Gentleman is itching to intervene. At our age, I think I should allow him to do so, so that he need not struggle to rise too often.

Mr Sheerman: The hon. Gentleman is more deeply rooted in his community and his constituency than almost anyone I know, but I hope he will not mind my saying that he is slightly missing one point. Under the last Government, Building Schools for the Future and academies were not just about improving schools, but about transforming the communities in which they sat. That was at the heart of what the last Government were doing, and that is what the present Government seem to be missing. Transforming the community is what a great school does.

Mr Hancock: I agree. As I said in my intervention on my hon. Friend the Member for Southport, it is not just about the parents of children attending a school; it is about the wider community having a say. Academies were supposed to be at the very heart of the community, and they were supposed to be seven-days-a-week establishments offering a range of activities that the whole community could embrace. If that is what we will have, we should share it with the population and encourage them to become involved; but to suggest that we can create academies from scratch by September is pushing against a door that has already been slammed in our faces. It might be possible in the case of schools that have partly completed the process, but I think it highly unlikely that any academy created from scratch could succeed. I do not even know whether the governors would meet between the passing of the Bill and the time at which it would be possible to begin the process of setting up an academy.

How quickly will the Government be able to agree on the financial basis? What will happen to the role of local authorities that have already budgeted for the coming year? What will happen to the existing budgets in schools? That brings me to a point at which I have to declare an interest yet again, Ms Primarolo—Primarolo—*[Laughter.]* It is difficult for a person who has had a speech impediment for 60 years and then mastered it when someone comes along with a name that contains a P and an R too close together, with an O at the end. I am trying to fight this as best I can. I hope you will bear with me, Ms Primarolo. Are you looking for inspiration from above?

I was thinking about a problem that local authorities face. I must declare an interest at this point: I am a member of a local authority that is a local education authority. This morning we were discussing what to do now. We already have one academy and, as I have said, it is a pleasure to see the transformation that is taking place particularly in the parents, who were heavily consulted, and the pupils. Everyone is optimistic and looking for an improvement in the school's academic record in one year. So even though I am against this measure, I have seen how it can start such a process.

As I said, this morning we on the Portsmouth executive were discussing what to do now in respect of the legislation before us. How will we deal with the other schools? Will we try to talk to them about having a federation? Should we think about helping one school? We have a very good single-sex girls' school but it is sometimes difficult to see where its future will lie. I would very much like for it be maintained, but we also have a single-sex boys' school that is not in such a good state of health, and the question therefore arises of how we work with them. I do not want local authorities to be left with a rump of schools that are difficult to manage.

We asked other questions, too. How do we cope with staff? How do we cope with low achievement in schools? How do we maintain parents' confidence that their children will get an equal share of the resources? The Government did not address that problem during our discussions last week but it is fundamental, because if parents are not going to be involved in the creation of an academy they really ought to be told what the effects will be on those children who will not be fortunate enough to get into an academy.

I ask the Minister to talk about the confidence that the Government have to be able to give to parents in order to be sure that all of them believe their children will get equal opportunities at school. Under the Bill in its current form, there is a degree of unfairness that could easily and very quickly be exposed in cities such as mine—densely populated urban areas with schools very close together where it is difficult to regulate catchment areas fairly and properly because people live so close by. Where schools are located is also an issue in this respect. Some of them came into existence as secondary schools somewhat late in the day. We had to build two new secondary schools in our city in the last 10 years to cope with the rising numbers of children, and we had to build them where we could, rather than in the right place, so to speak. We had to build them on the available sites which were not necessarily in the right areas. That also makes the catchment areas issue very difficult.

Parents therefore rightly have a number of fears, and teachers certainly do too. The amendments before us are about making sure that parents have the opportunity to know both a lot more than is currently available about what an academy can achieve and the downsides of academies. The Minister would be foolish in the extreme if he were to suggest that some parents would not want the downsides of an academy to be explained.

[Mr Mike Hancock]

That is particularly the case in respect of parents of children who are not fortunate enough to get into them. What will happen to the rest of the children?

I hope the Minister will also respond to the points raised by the hon. Member for Wigan and my hon. Friend the Member for North Cornwall (Dan Rogerson). My hon. Friend asked two or three questions that are worthy of a specific on-the-record comment from the Minister, because this Committee needs and demands that. We cannot allow legislation to be passed so quickly without proper scrutiny and with questions left unanswered. The Government cannot have it both ways. If they are not prepared to give us the time to scrutinise the Bill properly, they should be able to put a sustainable and maintainable position on the record by saying, "This is the way it's going to be." Anything short of that should be seen by this House and the country as totally unacceptable.

Several hon. Members *rose—*

The Second Deputy Chairman of Ways and Means (Dawn Primarolo): I call Vernon Coaker.

Vernon Coaker: Thank you for calling me to speak, Ms Primarolo. It has been an interesting debate so far and, clearly, more Members wish to contribute to it.

The Government are in a mess on consultation. There are all sorts of worries and concerns on both sides of the Committee about consultation and what it actually means in practice for both local communities and individual schools across the country. This is a live issue for the Government, because we are supposed to be in an era of new politics, which is about localism—involving, talking to and empowering local people and communities—yet the Government are unclear about what that means in respect of schools.

Under the Bill in its current form, a governing body and head teacher can, effectively, apply to become an academy and be fast-tracked through that process if they are outstanding, and it is the Secretary of State who makes the final decision. This is therefore a hugely centralising measure that completely bypasses the local community, the local authority and anyone of influence in a local area. The Government can state clearly in the Bill that that is not their intention and they do not wish that to happen.

I take on board the point that there are many good governing bodies and that we should not impinge on individual governors and head teachers who work extremely hard, but they operate on the basis of what they consider to be best for their individual school whereas it is incumbent upon us here to pass laws that not only look towards the interests of individual schools but address such issues within the context of the education system as a whole. The Government's intention is that thousands of schools will become academies and hundreds will be fast-tracked through the process but, as I said last week, I think we will simply be taking a leap in the dark, with no real idea where this will end up.

The Minister must tell us how many schools have applied to become academies and how many he anticipates will be academies in September 2010. The press release that the Department for Education sent out at the beginning of this process on 2 June told us 1,000 schools had applied for academy freedoms, but that is not what it meant to say. It meant that 1,000 schools had expressed an interest in that, but where are we now in this regard? Where have those schools got to in respect of consultation? Who will they be talking to in August? Which governors are consulting which local authorities? Which governors are talking to which parents? Which governing bodies are talking to which communities? What consultation is going on, given that the Secretary of State has expressly told this House that he wants as many outstanding schools as possible to be fast-tracked to academy status in September? "Not a clue," is the answer from the Government. Any reasonable and rational person would say it is difficult to have such consultations when schools are on holiday. I accept that—we all accept that—but in that case the Government should not set out as one of the Bill's policy objectives that large numbers of schools will become academies.

The Government have not stated what consultation they expect the schools that are being fast-tracked to academy status to be involved in. They have not set before the Committee what the process will be by which they as a Government monitor that, other than to say that there is a point of contact at the Department for Education. What on earth does that mean—a phone call, perhaps, or the odd letter, or a couple of e-mail exchanges? What evidence will be collected to ensure that the measures in the Bill—even the measure on this limited consultation—are followed? The issue of legal challenge was rightly raised. There will be a legal challenge if the Department cannot give adequate explanations—other than what it has given so far, which is extremely woolly—in respect of even the limited consultative process in the Bill, with the pre-commencement later on in it. If it cannot do that, there is a real problem.

Pat Glass: I wonder whether my hon. Friend agrees with me about what is happening in a school that is outside but close to my constituency, which may affect children in my constituency. The head teacher and a small number of governors have made an application for academy status and it is being fast-tracked, but the head teacher is retiring on 31 August. Does my hon. Friend agree that this is contemptuous, not only to children and to parents and to the local community, but to the new head teacher who is due to take over a school which is going to change in character and is not going to be the school to which he applied? That is what is happening as a result of this Bill being rushed through this House.

6.30 pm

Vernon Coaker: I agree with that. The point that we have made on numerous occasions is that even if the Government think that this is a good Bill—they clearly do—and are determined to push forward with it, the rush to put the legislation in place will have unintended consequences of exactly the sort that my hon. Friend describes. I am not trying to be smart when I predict that individual Members from across the House will have individual schools coming to them about problems with this process and the adverse consequences that it is having for their area, and that will be as a result of having rushed this legislation through.

Mr Gibb: May I help the hon. Gentleman by saying that schools that do wish to convert this September must have submitted their applications by 30 June, so there will be time before the beginning of the schools' summer recess for consultation to take place? In addition, the consultation is not required to terminate by September; it can go on through the autumn until the funding agreement is signed. So there is plenty of time, both before the summer and after it, for this important consultation to take place.

Vernon Coaker: I am afraid that the Minister is just asserting things; there is no fact in what he just said. How many schools are going through this process? What are they actually doing to consult? Are they sending a letter to every parent? Are they holding parents' meetings? Are they going out into the community? Are leaflets being sent round? Are other schools involved in this? Are other governing bodies involved? Is the local authority involved? What does what the Minister has just said mean? The reality is that none of us knows.

Mr Mike Hancock: In view of what the Minister has just said, is the hon. Gentleman not slightly mystified, as I am, why the Government cannot tell us the number of schools that have indicated since 30 June that they want to start this process? Surely the Department ought to be able to make that information available to the Committee.

Vernon Coaker: Absolutely. The point that the Minister missed was that the Secretary of State has made great play of the fact that some schools will become academies not by Christmas or through the autumn, when the consultation is going to be by, but by September 2010; the whole reason we are rushing this Bill through is that the Secretary of State was telling us that all these schools were queuing up to become academies by September 2010. The Minister may have been saying in his intervention that a lot of schools signed up by 30 June, because the process takes three months, and they have therefore started the consultation. We do not know what that involves, but it carries on in August and can go on "through the autumn"—those were the Minister's own words. So why are we rushing this legislation if the consultation can go on for longer? We could have slowed down a bit and improved the Bill, accepting some amendments that hon. Members have proposed. The Government would have thus achieved their objective with a much-improved Bill that would have allayed some of the concerns that have been raised, notwithstanding the fact that Labour Members would have opposed it in any case.

I hope that the Minister will tell us the exact number of schools that have applied, not the number that have expressed an interest—I hope he will give the exact number for primary schools and secondary schools. I know that this is not going to happen in special schools until 2011 and I cannot remember whether that is also the case for primary schools, but it certainly will happen in secondary schools. How many schools are actually applying? How many of that number does the Minister expect to open in September 2010? I hope he will outline for us exactly what consultation process those schools will be expected to have gone through and that he will explain to the Committee how the Department is ensuring that that has taken place, so that when the Secretary of State decides whether to give an academy order he can say, "These are the criteria I used." The Committee deserves to know that, but we have so far been given no answer..

Mr Redwood: Can the shadow Minister explain why he thinks so many head teachers and governing bodies might want to drive something like this through against the wishes of the local community and parents or without bothering to find out what their views were? I would have thought that the first thing any head teacher would do when considering this would have been to ensure that they had support.

Vernon Coaker: What we are saying is that we are legislating for a process and we expect it to set out exactly what should happen. It is for the Government to determine what that process is. At the moment, they have no real idea about it. I also say to the right hon. Gentleman that what we are also trying to do—this is the point made by the hon. Member for Portsmouth South (Mr Hancock)—is find out how many of the 1,000 schools that the press release says have applied will become academies in September. The Minister has failed last week and this to give a categorical answer to the question of how many academies the Department expects to open in September. I, too, will be interested to hear that answer.

Mr Redwood: I am sure that we will all be interested in that answer. However, the shadow Minister has given me no answer on the point that I asked. He is not saying that he knows of lots of head teachers and governing bodies foolish enough to try to drive this through against local opinion. Can he not understand that the whole idea of localism is that we need to trust these people more and give them more scope to act? They will decide how to consult and how widely they need to consult depending on the mood.

Vernon Coaker: But who will decide? It will be the head teacher and the governing body of the school. The right hon. Gentleman tells us not to worry because some consultation will take place, and he asks what head teacher would drive this through against local opposition. I just say to him that if parents—if all of them—are so important, why does the word "parents" not appear in the Bill? I ask him that to test him, because none of us can find a reference to them and I find that astonishing. He asks what head teacher would possibly go against the wishes of parents and against the wishes of anybody, but why is the word "parents", which the right hon. Gentleman has just prayed in aid when he said that the Government were all for localism and for people empowering the local neighbourhood, not contained in this Bill? There may be one or two such references but I cannot find them.

Mr Redwood: Sometimes things are so obvious that when one trusts people they will do the obvious thing. Of course these people will want to carry the local parents with them because otherwise they will lose their school.

Hon. Members: Hear, hear!

Vernon Coaker: I make a prediction to the right hon. Gentleman and to some of the hon. Members on the Government Benches who are saying "Hear, hear". I predict that the Government will produce amendments in the Bill that they are introducing in the autumn to clarify the situation and that hon. Members will, at some point, be writing to the Minister asking whether he could intervene in respect of particular schools in their community where it looks as though the consultation has not taken place and other schools start complaining about the schools that have been fast-tracked to academy status. As the right hon. Gentleman knows, because he has been here longer than I have, when we legislate in this House, we do so in a way that lays out the process that we expect to be followed in order for a process to happen. The process in this Bill is confused, and people do not know what it is supposed to be. He knows as well as I do that confused legislation provides the opportunity for judicial review. All I am saying is that the fact that this reference is not in the Bill is astonishing.

Mr Ward: I wonder whether the hon. Gentleman is as concerned as I am about the proposals on consulting parents. Unless we receive some advice to the contrary, it appears that under clause 1(6)(d) up to 49% of the pupils in a new school do not have to be

"drawn from the area in which the school is situated."

Vernon Coaker: The hon. Gentleman is absolutely right about that. Of course what Lord Hill said in another place was that if we were to consider the grammar schools that become academies, we might find that that area is significantly broader. What that "area" meant was very difficult to define.

My hon. Friend the Member for Huddersfield (Mr Sheerman), the former Chair of the Select Committee, drew attention to the fact that the Government are not averse to ballots because they have introduced them for local planning decisions. Of course, the Minister will know, as we heard in the statement that took place before our discussions in Committee started today, the Government are introducing ballots for locally elected police commissioners. The principle of ballots, such as that proposed by the hon. Member for Southport (Dr Pugh), is something to which the Government are not opposed.

We think that we should lay out the details that are set out in amendment 78 rather simply leaving it to people to do what is appropriate. Parents should be consulted and, as many people have said, it is essential that the pupil voice should be heard. In answer to an earlier question from a Member on the Government Benches, of course that would be done in a way that is appropriate. The amendment refers to guidance that should be given to schools on how they should consult pupils.

What are the teachers and non-teaching staff going to come back to in September? The Minister needs to answer the question about what is happening with the TUPE negotiations about the transfer of teaching and non-teaching staff for those schools that want to become academies.

Sammy Wilson: The shadow Minister is making a point about the form of the consultation. In fact, if he examines the remarks he is making now he will see just how difficult it will be to be prescriptive about the form of consultation, even though that is what he seems to be seeking. One would consult pupils in a different way to teachers, and parents in a different way to teachers, too. It might not be possible to get them all under one roof. Is he seeking a prescriptive method of consultation or is the fact that the Bill makes it clear there should be consultation on a question mentioned in the Bill and that it must take place with the appropriate people not sufficient detail for him?

Vernon Coaker: I do not think that it is sufficient. The hon. Gentleman is right: of course one would consult teachers, non-teaching staff and pupils differently. That is why our amendment states:

"The Secretary of State shall issue guidance as to how"

that is done. Of course the consultation will be carried out in different ways, and that is why we have included the word "guidance".

On the need for consultation with neighbouring schools, the Bill does not require good and outstanding schools that become academies to partner schools that are in difficulty or need support. I know that in the other place it was believed—many of my hon. Friends believe it too—that such a provision should be on the face of the Bill. Merely stating that they should engage in such consultation is not sufficient. Many of us have made the point time and again that the complete elimination of local authorities from this situation is not acceptable at all.

Let me talk about amendment 77. The Chair of the Select Committee, the hon. Member for Beverley and Holderness (Mr Stuart), was quoted by the hon. Member for Southport. If hon. Members think that I am making too much of the idea that a consultation should take place before, not after, the giving of an academy order, they should listen to what the Chair of the Select Committee said during one of the debates last week—it bears repeating. On the subject of consultations that took place after an academy order was made, and not before, he said:

"Those consulted in such circumstances would have good grounds for feeling that they were participating in a charade. I ask those on the Government Front Bench to consider that."—[*Official Report*, 19 July 2010; Vol. 514, c. 49.]

In his reply, the Minister needs to explain why it is not a charade and why the Chair of the Select Committee is wrong or misguided in making that comment. Is he wrong? Has he got it wrong? Does he not understand the process? Of course he understands that the making of an academy order comes before an academy agreement is signed—everybody understands that, and we have all read the Bill. We are saying that the discussion of, and consultation on, an academy order—by the way, I can find no example of what an academy order would actually be—should take place before it is made and not afterwards. Perhaps the Minister—in answer to the Chair of the Select Committee, if not to me—can tell us what an academy order will contain. What will it look like? What will be in it? Will we have the opportunity for some sort of consultation on what an academy order should be?

6.45 pm

I accept the points made in the amendments tabled by my hon. Friends the Members for City of Durham (Roberta Blackman-Woods) and for Wigan (Lisa Nandy),

but I hope that they agree that amendment 78, tabled in my name, pulls the amendments together in the way that we would all want.

Let me say something more about new clause 1. The hon. Member for Brighton, Pavilion (Caroline Lucas) makes an important point about the fact that the whole process is one way. If we believe that head teachers and governing bodies will consult local people in their desire to become academies and if we believe in localism, why should not those people have the opportunity to revert back and say, "We don't want to stay as an academy. We've decided that it does not work for us, and we're concerned about the situation"? Let us take the Government's process as part of this example. If the head and the governing body make an application to the Secretary of State that they wish to be a local authority maintained school, what is wrong with that? I would be interested to hear the Minister's response. Does localism work as long as it agrees with Government policy or does localism really mean localism, even if it does not agree with Government policy? That is the point.

It is difficult to support new clause 1 to the extent of voting for it, because it has flaws, but the hon. Lady's point is nevertheless one of principle. There should be the opportunity for schools to revert from academy status back to being local authority maintained. As for the point about whether the limit should be 10% or whether some other procedures would have to be put in place for it to happen, if the Government agreed with the principle behind the proposal—of course, they would not say so if they did not agree—they would normally say in Committee, "This is an important point. We will take it away and consider whether there is a way in which it can be put into effect and we will come back with a Government amendment on Report." That cannot happen today, because of the process that we are going through.

That is a problem. I agree with the principle of the new clause and I await with interest the answer to the question that I posed about localism and what it means to the Minister. It is a fundamental question, so I shall repeat it. Do the Government support the localism agenda as long as people agree with them, or, as soon as those people disagree, will the Government say that they do not really agree with the localism agenda?

Andrew Percy: I agree with the shadow Minister that there should always be a way back, but I fail to understand the following fact. When his party were in government, there were plenty of forced mergers and forced school closures through the transforming our primary schools programme and the surplus places legislation. There were thousands of names on petitions against irreversible school closures. Where were the democracy and localism in those decisions?

Vernon Coaker: There are two points. I shall come back to the local point in the moment, but all the way through these discussions—the hon. Gentleman, to his credit, has been in the Chamber for many hours of the debate on the Bill—I have pointed out significant and substantial differences between the academies programme pursued under the last Government and the academies programme and model proposed by the Bill. Our model concentrated on areas of educational underperformance and social disadvantage. That was the key driver for the use of the academy model. The Bill turns that on its head and says we will allow schools that are doing well under the current system to become academies, with all the worries and concerns that have arisen.

I know that the hon. Gentleman has been involved in this area and has worked hard in his constituency on the issue of school reorganisation. However, in virtually every circumstance in which academies have been agreed—that includes the 200 that were agreed and the number that were to go forward in September with secondary school reorganisation attached to educational transformation—the local authorities were key partners in those decisions. Some of those decisions were difficult. We have not tabled the amendments to say that any of this is easy, that there is a panacea or that someone can wave a magic wand to bring about school reorganisation in way that is never controversial or painful. We are saying that under our model, local authorities and local partners were specifically included. There were still difficulties, and sometimes tough decisions had to be made, but local authorities and local decision makers were involved. The way that the Bill is drafted specifically excludes those people from being involved other than in the way that a wish list of good practice would say that they should be involved.

Ian Mearns: Does my hon. Friend accept that under the previous Government's academy proposals, the local consultation that took place was subject to an adjudicator's ruling in the last instance if that was necessary?

Vernon Coaker: I was going to make that point: schools adjudicators have been involved almost as a final route of appeal. I know from my experience as a Minister—if the hon. Member for Brigg and Goole (Andrew Percy) becomes a Minister he will find this out—that even when one thinks a decision is right, it can be completely thrown out of the window because the schools adjudicator prevents something from going ahead. That happened to me a couple of times in relation to the closure of a school.

Julian Smith (Skipton and Ripon) (Con): Does the Minister accept that there have been examples of Labour-held local authorities being given the opportunity to set up academies but rejecting it without consulting parents at all? I refer specifically to the offer by Goldman Sachs several years ago to set up an academy in Tower Hamlets. The local authority there gave parents not a jot of consultation.

Vernon Coaker: Some local authorities have been a problem, but not just Labour authorities—Conservative local authorities have also stood in the way of academy development. One pays a price for local democracy and involving local authorities: sometimes it means that people pursue educational options in their area that one does not agree with. That is the point I was making when I asked the Minister whether localism is fine only as long as it goes along with the Government's policy objectives.

There are all sorts of unanswered questions about consultation, many of which the hon. Member for Portsmouth South has laid out. What happens to local authorities? What happens to the money? What happens regarding special needs? Who is vetting the consultation

[Vernon Coaker]

that takes place? Who knows what is going on? How will the school funding proposals that have been published today affect what is going on? There are all sorts of issues to be discussed.

Bill Esterson: May I take my hon. Friend back to the primary capital programme and the democracy in that process, which the hon. Member for Brigg and Goole (Andrew Percy) asked about? In the Tory-run authority in which I was the opposition spokesman on children's services, there was a lot of opposition to some proposals and only a thorough consultation process brought up that opposition and showed the flaws in the plan. The council rejected them and the adjudicator, whose role my hon. Friend the Member for Gateshead (Ian Mearns) has mentioned, had to get involved. The checks and balances were in place in that process as they were in the School Standards and Framework Act 1998.

Vernon Coaker: My hon. Friend makes a self-evident and good point, and identifies some of the problems regarding the difference between what happened before and what will happen under the Bill's measures. There are a huge number of questions that the Minister needs to answer.

On consultation, it would help if the Government and the Minister answered named day written questions, including a large number that are specifically relevant to this whole process and our discussions on consultation. I have 11 named-day questions for last Monday that have not yet been answered by the Department. Not all of them are relevant to this debate—*[Interruption.]* The Front Benchers are now debating who is responsible; I am afraid that it involves both Conservative and Liberal Democrat Ministers. Some of those questions are specific to today's debate on consultation, so for the Department to talk about consultation, procedure and correct processes when I still have not received the answers to questions for which the named day was last Monday—*[Interruption.]* The Minister says that I have had a holding response: on Monday 19 July, for 11 of my questions, I received the reply, "I will reply as soon as possible," from him and his colleagues. I do not know whether anyone else has experienced this problem, but given that the measures are being pushed through Parliament at significant speed, all hon. Members need the answers to their named day questions so that information that might inform our discussions is available.

With that, I shall simply say that we will support amendment 8 if the hon. Member for Southport pushes it to a vote, and I give notice that we would like to put amendment 78 to a vote.

Bill Esterson: I want to talk about consultation in relation to my experience as an opposition spokesman for children's services, particularly in relation to pre and post-decision consultation and three academies that the council pushed through. The Tory-run council in Medway decided not to consult until decisions had been taken, which caused consternation and all sorts of problems with the wider community, not just parents. I think that was a precursor to what is happening with this legislation. It was only the involvement of the then Ministers with responsibility for schools standards, including my hon. Friend the Member for Gedling (Vernon Coaker), that enabled us to have proper consultation before decisions were finally taken and to ensure that the assurances that the local community sought were addressed. My concern is that the proposed measures will cause what happened in Medway to be repeated across the country.

Dan Rogerson: Will the hon. Gentleman confirm that the situation he describes happened under legislation that was pushed through by a Labour Government and that the Bill does say—thanks to amendments that were passed in another place—that consultation must take place?

Bill Esterson: I confirm that it happened under the legislation—that was why the checks and balances were eventually put in place. The point I was making is that the Tory-run council in Medway tried to push things through using the same procedure that will be introduced by the Bill. The hon. Gentleman mentions the amendments that were made in the other place, but, like many hon. Members, I have grave concerns that leaving it to the governing body to decide not just who to consult but whether to consult is a fundamental problem that will not be overcome by any checks and balances further down the line.

My experience and that of many people in Medway shows that allowing consultation at any time up to the signing of an academy agreement will not work and will make the process completely inadequate. That is why the amendments are so important. If they are not accepted, not only Members, but schools, children, staff and parents across the country will regret the lack of a requirement for the sort of proper consultation that is detailed in many of the amendments and that was in the 1998 Act. That guidance on how to consult different groups is extremely thorough and works extremely well when it is followed.

7 pm

Andrew Percy: I am failing to get my head round the arguments of Opposition Members. There was plenty of consultation—admittedly under the previous Government—on Building Schools for the Future and on transforming our primary school agenda, and it threw up thousands of names on petitions from parents who did not want their schools closed, yet their schools were still closed. Where was the consultation? The failings the hon. Gentleman is outlining are exactly those that took place under the last Government.

Bill Esterson: Consultation is not a referendum; it will not necessarily produce the answer that the majority are pushing for, but there is a fundamental difference between holding a consultation and not holding one at all. The problem with the Bill is that unless the governing body agrees, there will be no consultation at all.

Andrew Percy: I think I heard the hon. Gentleman correctly and that he was saying that the Opposition are arguing that they want consultation simply so that they can say they have had it, but they are not all that bothered about the outcome.

Bill Esterson: The hon. Gentleman is trying to put words into the mouths of many Members. I think he is talking a load of nonsense on that point, but it was a nice try.

One of my concerns about leaving it to governing bodies to decide about consultation is that they, understandably, feel that it is their duty to support head teachers. Sometimes, however, the head teacher gets their own way through strength of personality and the governing body may not apply the degree of scrutiny and challenge that it should, although I am not saying that is always true because many governing bodies work extremely well in genuine partnership with their head teacher. The reason I support the amendments proposed by the hon. Member for Southport (Dr Pugh) is that the situation I described, together with the potential for financial benefit for head teachers, could create the possibility for conflict of financial interest, which would be wholly undesirable. There is concern about the potential for financial gain for head teachers and the lack of scrutiny in some governing bodies, although by no means all—I stress that point. It is important that we get the legislation right at this point, before things go wrong, rather than rushing it through with the danger that such problems might arise.

The hon. Member for Portsmouth South (Mr Hancock) and the former Chair of the Select Committee, the hon. Member for Huddersfield (Mr Sheerman), made important points about schools being a key part of their community. Although governing bodies are representative of certain parts of the community, they do not represent the wider community, which is why the provisions of the School Standards and Framework Act are a good guide. The fundamental problem with the Bill is that if consultation is not held until after the initial decision, it will be apparent to the local community that there has been a fait accompli. The danger is that once the train has left the station, it will be very difficult to put the brakes on.

Mr Gibb: This group of amendments deals with consultation. We have always made it clear that we expect schools to consult on their proposals for conversion to academy status, which is why we were happy to amend the Bill in the other place to put that provision on the face of the legislation. As Lord Adonis said, during the passage of the Bill in the other place,

"it is very unlikely that an academy proposal will be a success if it does not have a very wide measure of support from the parental body, the staff body and the wider community."—[*Official Report, House of Lords*, 21 June 2010; Vol. 719, c. 1230.]

As a result of persuasive arguments put in the other place, principally by Liberal Democrat peers, the Government tabled the amendment that led to clauses 5 and 10. I pay particular tribute to Baroness Walmsley for her determination to put consultation on the face of the Bill.

Amendment 8 would require that if any member of a school's governing body objects to the school's application for academy status, the parents of children at the school must be balloted. The purpose of the Bill is to allow schools that wish to do so to apply for academy status. The Bill is permissive rather than coercive. The arrangements for governing body decisions are set out in the School Governance (Procedures) (England) Regulations 2003, which state that every question to be decided at a governing body meeting must be determined by a majority of votes of those governors present and voting, and no decision can be taken without due discussion. Furthermore, at least a third of the membership of the governing bodies of all maintained schools is made up of parents. That means that the views of parents will clearly be considered during the governing body's discussions. In addition, clause 5 requires a school's governing body to consult on its proposals to convert to an academy. In practice, we believe that means that parents will be consulted and will have the chance to make representations about the proposals.

Dan Rogerson: The Minister is setting out his vision for the Bill and talking about the role of governing bodies. We did not have the opportunity to reach that clause last week because time defeated us. Is he able to confirm whether he has looked at the issue of how many parent governors there should be on future academy governing bodies?

Mr Gibb: I am happy to do so. We shall be coming to the relevant clause later in the debate, but I have been persuaded by my hon. Friend's arguments, and as a result of his representations, and those of other people, we intend to amend the model funding agreement to raise the number of parents on governing bodies from one to a minimum of two.

Requiring a ballot of all parents of pupils at the school would unduly politicise the process.

Vernon Coaker: I welcome the concession the Minister just made. The Committee has run very well without being churlish about such things, and there are many other aspects we agree with, but that is an important step forward.

Mr Gibb: I am grateful to the shadow Minister for that remark. He clearly takes the issue very seriously and has scrutinised the Bill thoroughly. It is a pleasure to debate the measure with him.

Caroline Lucas: At the risk of being churlish, why is the democracy such an issue? The point was made that if you were to—[Hon. Members: "He"]—if he were to have a proper election, it would—I am sorry. A moment ago, the Minister said that if you were to increase the governors—

Mr Gibb: I think I have taken the hon. Lady's point. Requiring a ballot of all parents of pupils at the school would unduly politicise the process and would enable those who are ideologically opposed to academies—I do not accuse the hon. Lady of that—to use the process either to agitate against the proposals or to try to delay the implementation of the decision. That would place unnecessary burdens on the governing body of the school.

Amendment 10 relates to the financial interest of governors. I reassure the Committee that there are restrictions on people taking part in the proceedings of governing bodies of maintained schools. They are clearly set out in the well-known School Governance (Procedures) (England) Regulations 2003, which provide that where there is a conflict between the interests of any governor, associate member or head teacher and the interests of the governing body that person must disclose the interest,

[Mr Gibb]

withdraw from the meeting and not vote. If one of those individuals has a financial interest in any matter, he or she must disclose it, withdraw from the meeting and not vote. If there is any dispute as to whether a person must withdraw, the other governors must decide on the matter.

There are important safeguards that apply both before and after conversion to academy status. They mean that there is no need for an amendment specifically to disallow a governor from leading the consultation, as under existing law governors cannot participate in decision making on issues that concern their remuneration or benefit. That is a fundamental principle of charity law, and all academies are charities. I can also confirm that the model articles of association ensure that no governor can make any financial gain in his or her role as a governor.

Nicholas Soames (Mid Sussex) (Con): Will the Minister clarify that, by and large, these proceedings and procedures have worked very well and have presented very little difficulty in this regard?

Mr Gibb: Yes, my hon. Friend makes a very good point. The type of people who become school governors are motivated by one issue only—the school of which they are governors; they want to raise standards and are concerned about that school.

Several amendments—including amendments 78, 77, 9 and 86—would require the governing body of a maintained school to consult on their proposals to become an academy before applying for an academy order. Clause 5 requires, as I have said, that the governing body of the school

"must consult such persons as they think appropriate"

on the proposed conversion. The consultation may take place before or after an application for an academy order has been made in respect of the school or after an academy order has been granted. This will allow each school to determine when it has sufficient information on which to consult and at what point during the application process it wishes to do so. Schools are, after all, in the best position to determine when and how consultation should best take place, and they may not want to approach parents or others until they have firm proposals.

The only requirement is that the consultation must be held before the funding agreement is signed, since at that point the school will be legally committed to the conversion process. Academy orders, though a step along the way, are not irreversible and we therefore believe that there is still value in a school consulting after an order has been made. At that point, the school is in no sense bound to convert, so it is not the case that any consultation of parents or others would either be not meaningful or too late, as the hon. Member for Gedling (Vernon Coaker) suggested it would be in last week's debate.

Mr John Leech (Manchester, Withington) (LD) *rose—*

Ian Mearns *rose—*

Mr Gibb: I give way to my hon. Friend first and then to the hon. Gentleman.

Mr Leech: I thank the Minister. I seek some clarification of the provision he cited, which makes reference to consulting "such persons". Does he assume that "such persons" would include the parent body of the school?

Mr Gibb: Of course, and it is up to the school to decide. I was going to come on to the guidance later. It is published on the departmental website and it sets out precisely what guidance the governing bodies should adhere to. It states:

"It will be for the Governing Body of the school to determine who should be consulted, although schools should consider involving local bodies or groups who have strong links with the school."

It sets out various elements such as: information on the school's website, a letter to all parents explaining the proposal, a meeting for parents, a newsletter for parents and asking for views from parents to be sent in writing to the school.

Ian Mearns: My hon. Friend the Member for Gedling (Vernon Coaker) pursued this issue earlier, when he spoke about the ability of schools in the list to go ahead and become academies in September. If the Bill is passed—we assume it will be, given the parliamentary numbers—orders will be made and consultation will have to take place before the funding agreement is in force. If schools are to become academies in September—assuming this idea has not been completely abandoned—it means that the consultation will happen all through August. Is my understanding correct?

Mr Gibb: It is possible for an academy order to be issued in September, while the details of the funding agreement are still being negotiated. These things are very complicated, and it might take several weeks after the academy order is issued before the funding agreement is signed, so the consultation process can continue after the academy order has been issued.

Mr Iain Wright: We really need clarity on this very important point. As I mentioned earlier, paragraph 7 of the explanatory notes states:

"The Secretary of State expects that a significant number of Academies will open in September 2010".

Is the Minister now suggesting that academies will open without a funding agreement being in place?

Mr Gibb: The school can continue with an academy order made. That is the point. The academy order can be made in September, but the funding agreement might take several additional weeks afterwards—*[Interruption.]* No, the school will be open; children will be able to attend a school and an academy order will have been made.

Sammy Wilson: I thank the Minister for giving way and for his further clarification of the purpose and usefulness of consultation after the order has been made, but does he not accept that once an order has been made, many of those who might have had an interest in the consultation might well deem that there has been a done deal so that the consultation is meaningless? I say that despite the Minister's assurances today, because the flag locally will be whether or not an order has been made to declare a school an academy.

7.15 pm

Mr Gibb: I am grateful for that intervention, as it enables me to repeat that the deal is not done until the funding agreement is signed. That has always been the case: it was the case under the previous Administration and it is the case today. It is the funding agreement that is key.

Let me turn my attention to amendments 78, 4 and 18, which seek to prescribe with whom the school must consult. The Government believe that the individuals who lead schools—the governors and the head—are best placed to make decisions about their schools. They are the ones who know the local area, the local circumstances of the school and how it relates to other schools in the area. We do not intend to be prescriptive over whom schools should consult, as schools will have different views and the level of information they want or can make available at the time of consultation will depend on the point at which they do it. If they consult at the very beginning of the process, they may consult only on the principle of conversion itself. If they consult at a much later stage, they may want to consult on a wide range of additional matters—the curriculum, governance arrangements or a specialism for the academy, for example—on which they may by then have firmer views.

We trust the school to determine how to consult and whom to consult, and we do not intend to provide an inflexible checklist, which would not, in itself, ensure that consultation were any more meaningful. This includes consultation with the local authority, as amendment 18 would require. We do not intend to give local authorities a role that could, in some areas of the country, undermine the Government's policy—as we know, this has been the case in the past. We do not want to provide local authorities with an opportunity to delay or frustrate applications via the consultation process. The Department's website, as I mentioned earlier, includes guidance on good consultation practice.

New clause 1, tabled by the hon. Member for Brighton, Pavilion (Caroline Lucas), would allow schools that have become academies to return to maintained status if 10% of the parents of the pupils at the academy vote in favour of it. Of course, the academies programme is about freedoms and lack of prescription, so an academy could choose, if it wished, to run itself like a maintained school. The academy could willingly act in such a way that for all intents and purposes, it would be a maintained school, operating with all the restrictions and requirements that apply to them—including the academy buying back services from the local authority and choosing not to use its curriculum or staffing freedoms. Therefore there would be no need for it to change its status for it to be run in a way that is equivalent to a maintained school.

We expect all schools that apply to become an academy to be fully committed to the academies programme. Before becoming an academy, the governing body of the predecessor school will have taken account, as I have said on numerous occasions, of the views of the parents and pupils at the academy.

Let me deal briefly with some of the comments made during the debate. My hon. Friend the Member for Southport (Dr Pugh) raised the issue of the new politics, which he said that he, like me, supports. I believe that the coalition involves discussion, concessions and change, which we have seen during the passage of the Bill. The coalition is delivering the kind of politics demanded by the public. Today, the coalition has delivered its promise to introduce a pupil premium. The Minister of State, my hon. Friend the Member for Brent Central (Sarah Teather) has today tabled a written ministerial statement announcing a consultation process on the implementation of the pupil premium.

My right hon. Friend the Member for Wokingham (Mr Redwood) took us back to the halcyon days of Lady Thatcher, which I know he likes to do from time to time, as do we all. My right hon. Friend is absolutely right that we need to trust teachers and head teachers and that we need to give parents a genuine choice that will serve as a powerful force to raise standards.

My hon. Friend the Member for North Cornwall (Dan Rogerson) is right to point out that it is the funding agreement that is the key and the binding moment in the conversion process towards academy status. Schools wishing to convert in September had to apply by 30 June and we expect that those schools most keen to convert in September will already have embarked on consultation. That is what the Department has advised. There is nothing to stop such enthusiastic governing bodies from continuing to consult through July and the summer holidays, and it is inconceivable that they will have kept such matters from parents, when parents are represented to the tune of one third of governors on such bodies.

My hon. Friend the Member for Brigg and Goole (Andrew Percy) is absolutely right that the governors of a school, particularly the parent governors, take their responsibilities very seriously. They care deeply about the school and would not take forward the process of acquiring academy status without taking into account the views of the community, whether or not a particular part of the community were represented on the governing body.

The hon. Member for Wigan (Lisa Nandy) made the important point that schools are at the heart of the local community, and we agree that they should be, which is why the funding agreement specifically states that academies should be at the heart of the community and share facilities with it. She also raised the issue of the risk to governing bodies of a legal challenge, but clause 5(1) requires them to consult those people whom they think appropriate, and to a large extent, therefore, it is up to the body to decide whom it should consult. Provided that its decision is reasonable, it is unlikely to face a legal challenge.

The hon. Member for Gedling asked for the number of schools that have applied. Those that want to convert in September must have applied to do so by 30 June, but that does not mean that others will not also have applied by that date, and we do not believe that all those that have applied will necessarily be in a position to convert by September. We want to ensure that the process is right, and we will not allow conversions until all issues have been resolved.

The hon. Gentleman also asked where we are with the TUPE negotiations. Employers of staff at schools seeking to convert will be at different stages, depending on when they intend to convert, but TUPE requires the consultation on the transfer of employment to be sufficient, and it will apply outside the Bill in any event. Any

[Mr Gibb]

proposed September convertors will have been advised to begin a TUPE consultation some time ago, at the outset of their consideration of the application.

Finally, the hon. Gentleman asked about the details of the academy order. It will state that a named school will convert to an academy on such date as is specified in the funding agreement. It is a very short document, and with those few remarks I urge hon. Members and my hon. Friends, when asked, to withdraw their amendments.

Dr Pugh: I shall say a few words before putting amendment 8 to the vote. Ministers have been fairly quiet throughout the large part of this debate, and I cannot be alone in sensing a certain embarrassment about some aspects of this legislation and the manner in which it has been pressed.

My hon. Friend the Member for Portsmouth South (Mr. Hancock) said to me during my earlier contribution that the real reason for weak consultation and no balloting is that it is all about making the establishment of academies easier, and at the time I said that that was uncharitable. Having listened to the counter-arguments, however, I am not sure that he was not after all right and me a little naive.

The ministerial argument against ballots was that they would politicise, but one does not need to be very bright to realise that that is a general argument against any ballot, any time, any place. The right hon. Member for Wokingham (Mr. Redwood) suggested that we would know the parental view from informal soundings, and to some extent that is correct, but he was unable to explain how that could happen before September, when schools are closed for the holiday. Indeed, if that is such a good, sure-fire method, why do we persist with ballots before changing a grammar school's status? People were completely unable to answer that, or why primary, secondary and special schools should not have the same privileged legal position.

No one answered the comments from the hon. Member for Beverley and Holderness (Mr. Stuart), the Chair of the Education Committee, even though they were repeated. I shall repeat them again: he described the consultation arrangements as appearing like a charade. I recall working for a boss who used to listen to his heads of department, gather them all around, very carefully solicit their views and conclude by saying, "I hear what you say." After that, he would do precisely what he wanted to do in the first place.

The hon. Member for Brigg and Goole (Andrew Percy) suggested that parents will be able to vote not necessarily by ballot but with their feet. I describe that as the Burmese school of democracy: "If you don't like it, you can get out and go somewhere else." He was quite right that governors generally and usually have a good awareness of and good contact with parents, and that they are likely to know quite a lot about how they might feel and react, but the clear point is that that is not invariably the case. Were it invariably the case, every grant-maintained ballot would have been won, but many were lost. Indeed, the hon. Member for Sefton Central (Bill Esterson) and I come from an area where all the grant-maintained ballots were lost.

If Members wish to disempower parents, if people in this Chamber genuinely believe in post hoc consultation, and if they object to rational amendment in the Commons, they should vote against my amendment. I can do nothing about that, but if they think differently I should like them to agree to amendment 8.

Question put, That the amendment be made.

The Committee divided: Ayes 229, Noes 303.

Division No. 45] **[7.25 pm**

AYES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brooke, Annette
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Doran, Mr Frank
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Evans, Chris
Farrelly, Paul
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Fovargue, Yvonne
Gapes, Mike
Gardiner, Barry
George, Andrew
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Jackson, Glenda
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.

Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Leech, Mr John
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pugh, Dr John
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Ward, Mr David
Watson, Mr Tom
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woolas, Mr Phil
Wright, Mr Iain

Tellers for the Ayes:
David Wright and Bill Esterson

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burstow, Mr Paul
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Jones, Andrew
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lopresti, Jack

Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Sturdy, Julian
Swales, Ian
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Norman Lamb and Mr Philip Dunne

Question accordingly negatived.

Amendment proposed: 78, page 3, line 11, at end insert—

'(1A) Before making an application for an Academy order, the governing body shall consult relevant parties on whether to make such an application.

(1B) The Secretary of State shall issue guidance as to how governing bodies should conduct such a consultation with parents, pupils, teaching and non-teaching staff and their representatives, neighbouring schools and the local authority and such other parties as he may think appropriate and such guidance must also specify the information to be made available to consultees in relation to the proposed arrangements for Academy status.'.—*(Mr Coaker.)*

Question put, That the amendment be made.

The Committee divided: Ayes 227, Noes 310.

Division No. 46] **[7.39 pm**

AYES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brooke, Annette
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Doran, Mr Frank
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Fovargue, Yvonne
Gapes, Mike
Gardiner, Barry
George, Andrew
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom

Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Jackson, Glenda
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pugh, Dr John
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Ward, Mr David
Watson, Mr Tom
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woolas, Mr Phil
Wright, Mr Iain

Tellers for the Ayes:
Mr George Mudie and David Wright

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Browne, Mr Jeremy
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burstow, Mr Paul
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Jones, Andrew
Jones, Mr Marcus
Kelly, Chris
Kirby, Simon

Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Sturdy, Julian
Swales, Ian
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Bill Wiggin and
Norman Lamb

Question accordingly negatived.

Vernon Coaker: I beg to move amendment 82, page 3, line 11, at end insert—

'(1A) An application under subsection (1) shall be in such form and shall contain such particulars as may be prescribed in regulations.'.

The Second Deputy Chairman of Ways and Means: With this we may take the following: amendment 81, in clause 4, page 3, line 34, at end insert—

'(3A) The Secretary of State shall publish criteria which he will apply in deciding whether to make Academy orders, which shall be in such form and shall contain such particulars as may be prescribed in regulations.'.

Amendment 83, in clause 4, page 4, line 3, leave out subsection (6).

Vernon Coaker: I will be interested to hear why the Minister thinks that the amendments are unacceptable. Before that, it is important to say that, in the previous debate, there was a massive change in Government hope and expectation for their flagship academies policy. They have retreated from claiming that hundreds of new academies will open in September to saying that hundreds or a large number of academy orders will be agreed. The Secretary of State did not outline that as part of a flagship Government policy, which was for significant numbers of new academies to open. The policy is chaos, confusion and a complete shambles. Hon. Members of all parties will find it unbelievable that we now have a Government commitment to a significant number of academy orders, with consultation to follow. Significant progress has therefore been made as we have exposed the flaws in many aspects of the Bill. However, a Minister coming to the Dispatch Box and admitting that the Government's aims and objectives will not be realised is astonishing.

I do not want to take up too much of the Committee's time on the amendments. I should simply be grateful if the Minister explained why he thinks that they are unacceptable.

Mr Gibb: The amendments would collectively have the effect of increasing the burden of regulation associated with the academy conversion process. They propose several sets of regulations as well as a requirement that academy orders be made by statutory instrument. Hon. Members will recognise that that would take the Government's policy in the opposite direction from our proposals. We want to deregulate when regulatory burdens are not only stifling innovation, but costing time and therefore money to achieve compliance. We want to give schools freedoms to allow them to focus on raising standards. Adding bureaucracy to the process is the last thing that we want.

Amendments 81 and 82 would introduce regulations that prescribed the contents of applications for academy orders and the criteria that the Secretary of State applied when deciding whether to make them. We do not believe that it is appropriate to regulate the contents of applications for academy orders. The Department already provides clear guidance on its website about the conversion process and the various steps that a school needs to take. The website also includes an application pro forma, which covers all the necessary information to enable a decision to be made. The Government have made it clear that they will apply a rigorous fit and proper person test in approving any sponsors of an academy.

The Secretary of State will consider applications from schools that wish to become academies and, in each case, confirm whether he is content for the conversion proposal to proceed to the next stage. If he is, he will make an academy order. In doing that he will, of course, take account of the relevant information before him, but he expects to approve most applications from outstanding schools. Those schools will make up the first wave, and we will publish the criteria for other applicants—the next wave—on the Department's website.

Before issuing an academy order, the Secretary of State will undertake checks to ensure that the school is in a position to become an academy. That is important because academies operate with greater autonomy than other schools and need to be in a secure position to do so. We will check whether there has been any significant change since the school's last outstanding Ofsted rating.

Mr Mike Hancock: Does my hon. Friend anticipate the criteria being changed from those that are currently applied to the raft of academies that is going through the process and the academies that he expects to go through shortly? Will the basic criteria be changed for future academies? He suggested that they would be published, but how different will they be?

Mr Gibb: The criteria will be different because the fast-tracking is confined to schools that are graded outstanding. When they have gone through the process, we will relax the criteria to enable other schools to do so. My hon. Friend will recall that the Secretary of State sent letters to all schools in the country. The criteria that I just mentioned apply to fast-tracking. There will be different criteria for the process once the first wave has gone through.

Issues that the Secretary of State will check include whether the school has a substantial budget deficit, whether there are PFI arrangements relating to the school and whether the school is already part of reorganisation proposals. Depending on the outcome of discussions, that may have a bearing on whether and when the Secretary of State can approve an outstanding school's progression to the next stage. When an academy order is made, the Secretary of State must give a copy to the governing body, the head teacher and the local authority. If the application is rejected, the Secretary of State is required to inform the governing body, the head teacher and the local authority of his decision and the reason for it. It will therefore be transparent and clear why and when a school will be permitted to convert and when it will not.

However, the first stage of the process—the academy order stage—is just that: it permits a school to convert, but does not require it to do so. We need to be clear that, for many proposals, the greater detail and the final stage of the process will come later, when the Secretary of State decides whether to enter into a funding agreement with a proposed academy. It is only on signing the funding agreement that the conversion becomes legally binding. We therefore believe that prescription of the form and content of academy orders in secondary legislation is unnecessary and too bureaucratic.

An academy order is the means whereby a school's conversion into an academy is enabled. The intention behind amendment 83 is that an academy order be made by statutory instrument, which would have to be laid before Parliament. Academy orders are intended to be the legal means whereby an individual school converts to academy status. They will contain key pieces of information that are pertinent to the conversion, but are highly specific to the circumstances of each school. It would not be a good use of Parliament's time to require each order for each and every school to be tabled. The use of the negative resolution procedure would also be highly disruptive to any school, since the period of 40 days during which the order could be prayed against in this House or the other place would leave the school with no certainty about whether the conversion could go ahead.

In any event, the hon. Member for Gedling (Vernon Coaker) will be interested to know that the Lords Delegated Powers and Regulatory Reform Committee issued a report on the Bill, dated 17 June. I am sure that he knows it well, given that he has been so assiduous in scrutinising the Bill and all the accompanying documents. As he predicted, it states about the provision:

"this seems to us to be reasonable. Each order affects only one school and there is provision for those affected to be provided with copies. We agree... that these Orders are not really legislative in character and we see no reason why Parliament would want to have any control over them."

For those reasons, I urge the hon. Gentleman to withdraw the amendment.

Vernon Coaker: It is a very good job that the Minister has persuaded me that statutory instruments of any sort—negative or affirmative—are unnecessary, otherwise he would not be able to announce academy orders in September. I intend to ask leave to withdraw the amendment, but I return to a point I made earlier. I provoked the Minister at the beginning of this debate, but in both this debate and the debate on the previous group of amendments, I note that he has not put any figure at all on the number of schools that he expects to become academies. That now seems to have gone down to almost nought, because the aspiration now is to introduce large numbers of academy orders.

8 pm

We will wait and see what transpires in September, but interestingly, the Government have today announced a huge retreat on their expectations for the Bill. They have gone from saying, "Hundreds of academies are expected to open," to saying, "Maybe a few will open on the basis of the ones that the previous Government approved earlier in the year." However, the Minister's and the Government's aspiration as announced today is

to have significant numbers of academy orders, with consultation to follow. We will see where we are in September, but with those comments, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 3 ordered to stand part of the Bill.

Clause 4

ACADEMY ORDERS

Jon Trickett (Hemsworth) (Lab): I beg to move amendment 54, in page 3, line 34, at end insert—

'(3A) An Academy order must include provisions which make available for community use some or all of the school's facilities.

(3B) Such provisions shall not be fewer and on less advantageous terms than those which have been available prior to the application being made for an Academy order.

(3C) Such provisions may be made by means of a contract or contracts with a local authority or other non-profit making or commercial body.

(3D) "Local authority" in this section means a county, district, unitary or parish council.'.

I welcome you to the Chair, Mr Hoyle. I think that this is the first time I have served under your distinguished chairpersonship, to use a gender-neutral phrase. Notwithstanding the fact that you and I come from different sides of the Pennines, I am sure that you will exercise justice and mercy if I happen to cross the line from time to time—if that is possible between people from different sides of the Pennines.

Amendment 54 is a probing amendment, and a similar proposal was discussed, albeit briefly, in the House of Lords, where the Minister prompted more questions than he gave answers. I shall be brief because I know that we have other important matters to debate tonight.

We now know that the Government have effectively given the Secretary of State the power to change the status of schools by order—by fiat or administrative measures—notwithstanding the fact that we seek some form of accountability to local communities, which the Government have denied. Members of the House will know that I was against academies and that I voted against them when they were introduced by my own party. However, at least the previous Government had the merit of saying that schools should be accountable and responsible to local communities, and that their facilities should be as widely accessible as possible.

The concept of the extended school—a school that reaches out into the community, and a community that reaches into the school—was very much at the heart of Labour's schools provisions. It occurred to me that I should like to know what will happen to schools' assets that are associated with that community provision. The idea of the extended school is that the school is a facility for the whole community. After all, in the African phrase, it takes a whole village to educate a child—sometimes it takes a child to educate the village, too—so the interaction between the community and the school is important, and lies at the heart of modern educational thinking.

I am pleased that over the years of the Labour Government, many schools in my area developed a series of community activities, and I shall highlight two—I am sure that every hon. Member could talk about what happens in schools in their areas in the same way. At Minsthorpe community college, a gym provided by the Labour Government, the Labour council and the college is open to everybody. A brand new sports hall that was built at the cost of millions of pounds in 2009 is also open to the community at subsidised cost. The college might become part of the Olympic preparations, because it is an Olympic-recognised site, which is a very proud achievement for our whole community. The school also has AstroTurf, which is used by local football clubs, a training and conference centre, beauty training, adult education, and crèche facilities on site and in the local village of Upton. The youngest pupil at the college is three months old, and the oldest is 80 years old. That is the school's range of provision.

Hemsworth arts and community college has also had millions of pounds spent on it, and it opens every single day in one form or another. Cherry Tree House, a multi-agency drop-in centre, is available to the whole community, the police, the health service and others, and an on-site sports centre is open all year. There is an Ofsted-registered day-care nursery, an adult education learning programme, and a programme of arts that works with all kinds of community groups, which use creative skills that were unimaginable even a few years ago in Hemsworth. There are outreach programmes with local Churches, the skills centre and so on and so forth. That is a description of two schools, but I am sure that every school in every community provides similar facilities.

By tabling amendment 54, I am asking the Government: what do they intend to happen to all that community outreach? I propose that there should effectively be two further aspects to the Bill. First, there should be no less provision to the community than there is on the day of transfer, and secondly, those provisions should be available on at least the same advantageous terms as they are now, meaning that there should be no increase in price or decrease in accessibility. It is a simple proposal.

Tens of thousands of people use community schools in my constituency and throughout the country. The question is: what will happen to those community facilities? After all, they were provided not by the school, but by the whole community, through council tax and central taxation. The Bill ought to make it clear that that community provision should continue—that should be the underlying philosophy of the nature of the relationship between educational institutions and the people who live in a community—and that the pricing should not change.

Paragraph 33(e) of the Government's proposed model funding agreement allows the academy to

"charge persons who are not registered pupils at the Academy for education provided or for facilities used by them at the Academy".

I guess that the Minister will say that that is simply a measure to give academies a legal power to charge. However, there are fears, including in the schools that I mentioned and among the people who use them, whom I represent, that fees will increase rapidly, and that the community will be seen as a cash cow. Like many other right hon. and hon. Members, I represent many deprived communities. They, too, are seriously worried about the intentions of some academies.

I mentioned that a similar proposal was debated in the Lords. Lord Wallace of Saltaire, speaking for the Government, said:

"We therefore entirely agree with my noble friend"—

who moved the amendment—

"that it is important for a school to be at the heart of its community and that it should, as far as possible, encourage the community to make use of school facilities in the evenings and at weekends. The place to impose obligations on an academy is through the academy arrangements—either the funding agreement or the terms and conditions of grant. We therefore resist the imposition of this in the Bill but entirely sympathise with the intentions of the amendment."—[*Official Report, House of Lords*, 28 June 2010; Vol. 719, c. 1620.]

I guess that the Minister will say the same thing.

There are two ways to deal with this community access issue. One would be for the thousands and thousands of academies—if that is how many are eventually created—to each have their own funding agreement, which would have to be policed separately. If constituents come to my surgery and say that the fees that they used to pay to do French or learn IT, or to use the sports or beauty facilities, have suddenly tripled or quadrupled, where will I turn if the amendment is not accepted? I will have to turn to the Minister and his civil servants, who will have to look at the funding agreement and make a separate enforcement order. This is not releasing schools from red tape, as was suggested a few moments ago by the Minister. It is nationalising the education system and the schools because, instead of schools being accountable to the local authority, or regulated under an amendment of the type that I propose, the Minister will have to take separate enforcement orders for every academy. How can that be the case for a Government who claim to believe in freeing up institutions and the education system?

If the Government are determined to go ahead with the system proposed in the Bill and if they agree with the philosophy that schools should be part of their communities, it would be simpler, more direct and cheaper to put something in the Bill so that each principal and governing body of an academy will understand from the beginning that they have taken over community facilities that the council helped to build, that they have inherited pricing structures, and that they have to honour them. The amendment is not an earth-shattering one, but I want to test the Government's commitment to their expressed desire to release people rather than bind them up in red tape. The Minister's answer in the other place opened up a Pandora's box of national control over an education system that we have always been proud of it being administered locally. The Bill is a reversal of that trend.

Mr Mike Hancock: It is a pleasure to serve under your chairmanship, Mr Hoyle. This is the first time that I have had the honour of speaking when you are in the Chair.

I congratulate the hon. Member for Hemsworth (Jon Trickett) because he makes a very important point. We have had a helpful debate on all the issues over the three or four days of consideration of the Bill, and it has been remarkable how much common ground has been found, even by those who are diametrically opposed to the idea of academies. Several of us have seen the merits of some of the issues, and the debate as a whole has been fair and frank. I suspect that the Minister has also found some of the comments helpful in framing the final form of the legislation and the detail that is provided to future academies.

I support the amendment, because the effect of a large secondary school on the social fabric of a community—with possibly an increased role in the future—is important for social cohesion. I had hoped that we would consider new clause 2, tabled by my hon. Friend the Member for North Cornwall (Dan Rogerson), because that talks specifically about the importance of social cohesion. If that obligation were in the Bill, there would be no going back on the school's commitment to the community. I have been a governor of schools where the local authority put in money for community facilities—such as a nursery—and bit by bit those services, which were additional to the school, disappeared, because of the weight of numbers. First, we lost the community room, and then the nursery. Those community facilities are not paid for by the education budget, but by the general rate fund—and in large council estates by the housing revenue account—but the pressure of numbers at the school means that they are lost to the community.

8.15 pm

The investment needed to make real social cohesion work in large secondary schools, in both rural and urban areas, but especially in large schools in densely populated urban areas, is important not only to the school, but to the whole community. I want to see our academies, and all our schools, used seven days a week, with proper facilities being offered and without the restriction of governors saying that they do not want strangers in the building. Social cohesion means that the school can be used on a Sunday afternoon if someone is prepared to put the money in to pay the caretaker, not that the facilities are jealously guarded by the school as if they are only for its use. If this is going to work, we have to accept that these schools are an integral part of community provision. Sadly—*[Interruption.]* I thought that the right hon. Member for Morley and Outwood (Ed Balls) wished to intervene. He was either yawning or mumbling about his leadership bid.

The Minister of State, Department for Education (Sarah Teather): He was talking to his wife.

Mr Hancock: Yes, I was a bit thrown by that. I do not know if there was a domestic going on—

The Chairman of Ways and Means (Mr Hoyle): Order. Perhaps the hon. Gentleman could stick to the amendment.

Mr Hancock: The amendment is very important because it places pressure on the Minister to spell out exactly what he believes social cohesion should mean, how schools can be best used and whether any concession will be made by the Government in this area. I hope that there is, and I expect that the hon. Member for Hemsworth feels the same.

If academies come into being, the chances of local authorities—which may have "bought into" new schools in the past—to buy facilities in schools will be remote and will not happen very often. It will be important for academies to start to sell themselves to the wider communities, saying what is on offer and inviting people to use it. We do not want to start with the idea that the use of facilities will be restricted. I would hope that Ministers will give us a concession tonight that would lead people to believe that schools will have a newly awakened sense of their responsibility to make a greater effort to bring the community in.

Dan Rogerson: I apologise to you, Mr Hoyle, and to the Committee for not being here for the start of the debate on this group of amendments. I was startled by the efficiency and economy with which the Committee dealt with the previous one.

I welcome the fact that the hon. Member for Hemsworth (Jon Trickett) has raised this issue. It is right that people should look to their local schools for more than the education of young people—or even the education of people throughout their lives. In constituencies such as mine, the rural primary schools are at the heart of the small villages and offer much in terms of facilities and a focal point for much of what happens in the community. In the towns and bigger urban areas, secondary schools offer a similar facility, as my hon. Friend the Member for Portsmouth South (Mr Hancock) said. I completely understand the concerns that the hon. Member for Hemsworth has raised, on behalf of his constituents and people across the country watching this debate, about facilities that they are accustomed to having access to, for a whole range of purposes, perhaps being affected.

I do not have an academy in my constituency, so I bow to the experience of hon. Members who do as to how academies can continue to be at the heart of their communities. However, I would hope that we could have a response from the Minister to the issues raised by the hon. Member for Hemsworth, to reassure people that there will be something in the funding agreement—as we have heard, Government spokespeople in the other place suggested that that would be the way forward—if not in the Bill itself, to ensure that there is a duty on those schools to continue to engage with their local communities.

We have provision in the Bill not just for the transition of existing maintained schools into academies, but for new schools. We have already had a debate about whether some capital resource might be available to help those schools get under way. I hope that that could be kept to a minimum and that where people come forward wishing to provide those services, they would bring with them the determination to provide such facilities themselves. However, if there is a drawdown of money from the state system, as it were, the relevant duties and responsibilities must lie with those people, because they will be wanting to make a contribution to the education of young people in their communities, and I would hope that they should also be at the heart of those communities.

Amendment 54 seeks to place that commitment in the Bill, particularly with regard to facilities. I hesitate to get into a debate on the new clause standing in my name, which my hon. Friend the Member for Portsmouth South mentioned—we may reach it this evening; I am not sure—but there are related issues, which I hope you will permit me to mention, Mr Hoyle, that go wider than just the facilities. My hon. Friend referred to social and community cohesion, on which I hope the Minister will have had a chance to reflect.

With regard to the use of the facilities that the hon. Member for Hemsworth has set out in his amendment, there is a concern that if schools that are considering going down that route are to be held in law to be responsible for providing them following a change, they might seek to reduce such facilities or run them down. I hope that they would not, because all schools, whether they are undergoing the process or not, will want to be at the heart of their communities. However, behind the amendment is a concern that a school might wish to restrict access a little. My concern is that accepting the amendment as drafted, with all the caveats that the hon. Member for Gedling (Vernon Coaker) will no doubt raise on Report—perhaps I can cut in now, before we get there—will mean that schools would be encouraged to run down the community activities that they offer, because they would want to keep to a minimum what they would have to do afterwards. The amendment might therefore have the opposite effect.

Also, the courts would presumably then become the final arbiter of whether a school was keeping its swimming pool open—if it had a swimming pool—for the same number of hours as it had been a little while ago. We could have schools repeatedly going back to court. I know that that is not the intention of the hon. Member for Hemsworth. I am merely saying that his amendment is a chance to probe the Minister's intentions and insist that, wherever possible, we should have as much in the guidelines or the funding agreement, which is probably the way to do things, to reassure people that schools will continue to be at the heart of their communities, no matter how they receive their state funding—whether through a maintained set-up or the newer, academies option.

I hope that the Minister will indicate his support for that, but also place on record the fact that it will apply to any new academies, as well as to those formed by existing schools transferring across.

Mr Iain Wright: May I begin by saying what a pleasure it is to serve under your chairmanship, Mr Hoyle?

I will be brief, because my hon. Friend the Member for Hemsworth (Jon Trickett) and the hon. Members for Portsmouth South (Mr Hancock) and for North Cornwall (Dan Rogerson) have said all that needs to be said about amendment 54. I welcome the amendment, which was tabled by my hon. Friend. He has rightly expressed the concern about the risk that community facilities—provision that could and should be used by partnering schools or the wider community—could be stopped as a result of an academy order. All three hon. Members who have spoken in this debate have said how important such facilities are to social cohesion.

A further point is that in times when public finances are tight, the potential saving from having extended schools with those provisions is immense. There could be savings to the NHS, from having that social network in place, to the Home Office and police budgets, from early intervention, or to the social care budget. Those savings could be huge, and they all stem from the idea of an extended school that opens out into the community, providing an open and collaborative range of offers. However, there is nothing in the Bill that might safeguard that. I am concerned about that, which is why I welcome the amendment. I know that it is a probing amendment, as my hon. Friend said. However, I hope that the Minister can reassure the Committee that what is in the Bill will safeguard what is available for the community, because the whole of society can benefit as a result.

Mr Gibb: Amendment 54 seeks to ensure that each academy order contains provisions that make the school's facilities available for community use once the school

has converted to an academy. We agree on the importance of schools being at the heart of their communities. We would want to encourage the community use of school facilities. That is why the model funding agreement, which has been made available in the Libraries of both Houses and on the Department's website, requires academies

"to be at the heart of their communities and to share their facilities with other schools and the wider community".

That could include a wide range of initiatives—for example, making the school's sports facilities available for local groups to use, offering adult education after hours, and engaging staff in outreach work across other local schools. It is clear from the provisions in academy arrangements that we are committed to academies being a central resource to their local communities. That is also borne out by our expectation that all outstanding schools commit in principle to working in partnership with a weaker school, as part of their applications to become academies.

However, it would not be appropriate for every academy order to make such provision. Academy orders are intended to be the documents that confirm a school's conversion, and will contain key pieces of information pertinent to the conversion, depending on the circumstances of each school. We believe that the place to impose obligations on an academy is through the academy arrangements, in either the funding agreement or the terms and conditions of grant. That is consistent with the approach of the previous Government.

The hon. Member for Hemsworth (Jon Trickett) talked about the gym and the sports facilities in his local school, and asked whether it could be made a requirement that there should be no less provision to the community than existed at the date of the transfer. He wanted to put that in the Bill, which I have explained would be excessive. He also raised the issue of the fees charged for those sports facilities. Again, his fear is that an academy would raise those fees in order to raise further funds for the academy or the school. However, all the issues that he has raised are issues for the funding agreement. There is no reason why those facilities cannot continue. If the issue is shared facilities between the school and the local authority, these will be subject to discussion as part of the conversion process. On the wider issue of charging, charging that is allowed is limited, as he knows, and will be equivalent to the money that maintained schools are also entitled to raise for out-of-hours-type activities.

I suppose that the issue at the back of the hon. Gentleman's mind is the concern that somehow academies will be less community-minded than the maintained schools that they replace—that somehow they will gouge out those facilities used by local residents or the out-of-hours evening classes that they attend. I see no evidence from the academies that I have visited around the country that that is their attitude. They are just as much a part of the community as the maintained schools that they are replacing.

The hon. Gentleman should be assured, certainly on the basis of the statements that I am now making to the Committee, that it is not the Government's intention that academies should become islands unto themselves, charging the maximum that they can to raise funds for their facilities. They will continue to be part of the community, concerned about the community, and wanting to share their facilities with the community.

I want to turn now to the points raised tangentially by my hon. Friends the Members for Portsmouth South (Mr Hancock) and for North Cornwall (Dan Rogerson). They both raised the issue of community cohesion. It is our view that the funding agreement will already include that requirement, using the phrase that I have just read out about being at the heart of the community and sharing facilities with the community. I am also able to help my hon. Friends by adding to the funding agreement an explicit requirement that academies will be required to be at the heart of their communities, to promote community cohesion and to share their facilities with other schools and the wider community. I hope that, in the light of those few words and the arguments that I put forward earlier, the hon. Member for Hemsworth will withdraw his amendment, which he described as a probing amendment.

8.30 pm

Jon Trickett: I am grateful to the Minister for the way in which he has presented his case to the Committee, and I do not wish to press the amendment to a vote. He has had the opportunity to put the Government's views on record, and they will no doubt form part of any future debate when academies begin to operate. I predict, however, that the monitoring system he is introducing will be more expensive, more bureaucratic and more top-down than the present system of accountability of schools to their local communities through the local authorities, and that is deeply regrettable. With that, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Mr Iain Wright: I beg to move amendment 79, page 4, line 8, at end add—

'(8) Before making an Academy order in respect of a maintained school under this section, the Secretary of State shall consult with—

(a) the local authority,

(b) any other local authority who would in his opinion be affected by the making of an Academy order,

(c) teachers and other staff at the school and their representatives,

(d) parents and pupils of the school and the other schools in the community, and

(e) such other persons as the Secretary of State considers appropriate.'.

The Chairman of Ways and Means: With this it will be convenient to discuss new clause 7—*Social cohesion*—

(1) Before a school makes an application for an Academy order or an Academy arrangement with an additional school the relevant local authority must be asked to assess the impact of Academy status on—

(a) admissions in the local authority area where the school is situated;

(b) funding between all publicly funded schools in the local authority area where the school is situated; and

(c) social cohesion in the local authority area where the school is situated.

(2) The impact assessment in subsection (1) should be made with regard to any existing policies the local authority or local schools forum have in relation to (a), (b) and (c).

(3) Before making an Academy order or an Academy arrangement with an additional school the Secretary of State must have regard to the impact assessment in subsection (1) made by the local authority.'.

Mr Wright: With this amendment and new clause 7, we return to a subject that we have discussed time and again in this brief Committee stage. One of the most fundamental weaknesses of the entire Bill is its wholly inadequate provision for consultation. Clause 4 sets out the process for the Secretary of State to consider and approve an academy order. It also sets out the criteria by which an application may be considered. The two criteria are that the governing body has applied or that the school is eligible for intervention. This provides no role for the local community or for parents to ask for intervention, however. Time and again this afternoon, the point has been raised about the lack of consultation for local stakeholders, especially parents. We believe that local authorities, communities, teachers, trade unionists and, most importantly, parents should have a role in calling for intervention.

Inherent in the Bill is a massive risk of creating a two-tier system that will divide rather than unite communities, and that will set deprived communities against affluent neighbourhoods. As I said in Committee last week, the Bill could ensure that the most important relationship was between the individual school and the Secretary of State, rather than between the school and its local community.

We have just been discussing amendment 54. One of my concerns is that the Bill, as it stands, is a highly centralising piece of legislation whose focus is firmly on the school and the Secretary of State, rather than on the wider area. There is also a risk that the Secretary of State intends to use the freedoms that academies allow to give only successful, prosperous schools the flexibility and resources to thrive. Those freedoms could well be provided at the expense of the vast majority of schools, which could face cuts to support services and experience severe disruption. The fragmentation of our schools system would be a real step backwards for social progress and social cohesion.

Amendment 79 would ensure that, before making an academy order in respect of a maintained school, the Secretary of State would be obliged to consult the local authority, teachers and other staff at the school, parents and pupils of the school and the other schools in the community, and any other such persons who are considered appropriate. In addition, he would have to consult other local authorities that might be affected by an academy order. This is most common, although not exclusively so, in London, where pupils in a particular school may be drawn from a wide variety of local authorities. Demand for places at a school in a particular local authority, especially a popular school, can affect the demand, and hence the viability, of schools in other boroughs. Surely the Minister accepts that it is right for those affected local authorities to be consulted as well. Proposed new subsection 8(b) would ensure that any other local authority that might be affected by the making of an academy order was consulted. For those reasons, we believe that amendment 79 offers an important means of injecting more challenge, scrutiny and consultation into the proposed legislation.

We believe strongly that local authorities have a strong role to play in helping every child to succeed. They do not, and should not, run schools, but they can provide a strategic function, and commission provision across an area that is relevant, suitable and in keeping with the local authority's vision for the shape of their economy. Local authorities can ensure that local services are of a high quality and meet the needs, ambitions and aspirations of children and young people. The actions or, at times, inactions of local authorities can also be held to account by local people in a truly democratic fashion, as a means of securing effective, efficient and fair local public services.

We on the Labour Benches and, I suspect, some on the Government Benches, believe that local authorities are best placed to facilitate partnerships across different schools and drive forward improvement and rising standards. I said "I suspect", but it is fair to say that all Liberal Democrats subscribe to that view. I quote page 37 of their 2010 general election manifesto, which states:

> "Local authorities will not run schools, but will have a central and strategic role, including responsibility for oversight of school performance and fair admissions. They will be expected to intervene where school leadership or performance is weak."

We can all agree with that sentiment. I can more or less agree, too, with the next bullet point in their manifesto:

> "We will ensure a level playing field for admissions and funding and replace Academies with our own model of 'Sponsor-Managed Schools'. These schools will be commissioned by and accountable to local authorities and not Whitehall".

That is an important commitment, on which every Liberal Democrat Member of Parliament was returned to the House. It is important that the Committee has the opportunity to vote on the matter, so that Liberal Democrat Members can support their manifesto commitments to a level playing field on admissions and funding and on social cohesion. On that basis, I give notice that I want to test the Committee's opinion with regard to new clause 7.

Ian Swales (Redcar) (LD): What did the hon. Gentleman think about the provisions under discussion when the Labour Government introduced academies? As far as I know, none of the provisions apply to the current academy system.

Mr Wright: I do not want to return to the Second Reading debate, but the purpose and definition of academies under the Bill differ fundamentally from those of the academies introduced by the Labour Government. We gave freedoms and flexibilities to poorly performing schools in deprived areas. The Bill is a completely different kettle of fish, and I think that the hon. Gentleman agrees with me.

Under new clause 7, before a school can make an application for an academy order—or arrangement with a free school—local authorities would be asked to assess the impact of such an order or arrangement on admissions, the funding between all state-funded schools and social cohesion in an area. As the hon. Member for North Cornwall (Dan Rogerson) ably articulated, social cohesion with regard to education is vital. There is a huge risk inherent in the Bill that social cohesion will be threatened and compromised. The new clause addresses that.

Andrew George (St Ives) (LD): The hon. Gentleman makes a strong case, referring to Liberal Democrat party policy. In new clause 7(1)(a), he refers to the admissions policy and the impact on admissions to schools. Were he successful in getting the new clause accepted, what would he envisage as the best solution in

circumstances in which, inevitably, parents will be disgruntled that their child is unable to gain admission to a local school?

Mr Wright: In my constituency, parents want to get their children into certain popular schools. It is important that the local authority sets out a clear procedure by which admissions will be considered, that there is a good appeals process, and that the schools adjudicator is part of that process. It is important that local authorities are in the driving seat: not running schools, but with borough-wide thinking on admissions. The approach has worked well and can continue to do so.

Earlier today, my right hon. Friend the shadow Secretary of State for Education and the shadow Schools Minister, my hon. Friend the Member for Gedling (Vernon Coaker) wrote to every Liberal Democrat Member, expressing the wish that we work together to amend and improve the Bill by supporting new clause 7. If Liberal Democrat Members feel that they must support the Bill as a whole in keeping with the coalition agreement, I can understand and respect their position, but I hope that there can be cross-party support for new clause 7.

Dan Rogerson: How could I resist the opportunity to respond to the hon. Member for Hartlepool (Mr Wright), who has thrown his glove across the Floor of the House to land at my feet?

The hon. Gentleman is obviously pining for the day on which there is a Liberal Democrat majority Government—*[Interruption.]* I look forward to working with the hon. Gentleman. Given the way in which his party has conducted itself in opposition, he and his hon. Friends may well be working towards such an arrangement even now.

Let me say, in all seriousness, that the hon. Gentleman is absolutely right to suggest that if the Liberal Democrats had been the majority party, we would have proceeded with the sponsor-managed schools option. However, we are not in that position. As the hon. Gentleman pointed out, we are in a coalition Government with a coalition agreement, and it is clear that some policies emanate from one partner in the coalition and some from the other. That is the way it works in coalition agreements all over the world, in countries where arrangements such as this are far more common than they have been in the United Kingdom, at least for several decades.

I do not think that academies are the answer. I did not think that they were the answer when the hon. Gentleman's party was in charge of the policy, and I do not think that they will necessarily be the answer for all schools now. However, following the coalition agreement, the Bill contains a series of provisions enabling communities, where there is a will, to allow schools to adopt academy status. It remains to be seen how many will take up the option and what use they will make of it. Amendments were made in another place, notably with regard to the provision of additional schools—which I know concerned the hon. Gentleman in earlier debates—and assessments of the impact on the surrounding area.

Consultation is vital. We have already engaged in a full debate on that issue, and I shall not go over the ground again. I will say, however, that the hon. Gentleman spoke of commitments by a political party in a set of circumstances prior to a coalition agreement which has been published and is available for everyone to examine and discuss. Believe me, people in my constituency and others have been discussing it, and we have had many debates on it. That should not come as a surprise to the hon. Gentleman.

I had the honour of serving in the last Parliament, when the hon. Gentleman stood at the Government Dispatch Box ably standing up for—it must be said—the sometimes slightly dodgy policies that his party was producing. He must have seen us sitting on the Opposition Benches below the Gangway—where his hon. Friend the Member for Gateshead (Ian Mearns) is sitting now—talking to some of his hon. Friends who were then sitting on this side of the Committee. They were sorely tempted to join us. Lord McAvoy, as he now is, would have been there, casting his eye over Labour Members and making sure that that did not happen.

It could be said that we are now in similar circumstances in terms of the way in which this place works, but it can only work, and a Government can only work, when there is an agreed programme. We have an agreed programme, and the Government are proceeding with it. However, I am pleased that the Minister was willing to listen—as was his noble Friend Lord Hill—to Members of our party and our side of the coalition, and to other noble Lords and hon. Members, and to make provision to allay some of the concerns that have been raised.

Vernon Coaker: Let me explain why we consider new clause 7 so important. Subsection (1)(c) refers to

"social cohesion in the local authority area where the school is situated."

Under the Bill, as part of the funding agreement, if a pupil is excluded from an academy during the year, the academy will keep the funding as if the pupil had not been excluded, but the local authority—or someone else—will have to provide the funding for that excluded pupil somewhere else. It is because of such provisions in the Bill that some of us consider an impact assessment to be vital. Otherwise, when a pupil is excluded, the academy will keep the money and the pupil will become the responsibility of the local authority, which will have no funds with which to carry out that responsibility.

8.45 pm

Dan Rogerson: I understand the hon. Gentleman's point, and I am sure the Minister will want to respond to it in respect of how the funding agreement will work as the academies come into being. However, the hon. Gentleman said earlier that he thinks that academies are a good thing and that if Labour had continued in government, they would have increased in number. *[Interruption.]* Well, the issue of variance that has arisen between the Government's proposal and that of the hon. Gentleman is how the academies come into being. Until now they have undoubtedly had an effect on their local area, but there is an issue of critical mass, as many Opposition Members have said: there must be a tipping point at which there is a sufficient number of academies to have a particular effect on the local authority. That would have happened under the hon. Gentleman's vision for expanding the number of academies as well as under the Government's, so that is a separate question; it is a question about how many academies we have and what effect they have collectively.

I was tempted to rise and respond to the question of whether the model under discussion is the same as that which the Liberal Democrats have advocated throughout

[Dan Rogerson]

history. It is not of course, but real progress has been made in that the Government have now introduced a Bill that includes a provision to allay a lot of the concerns that many of us have raised, but which also opens a way for communities that feel they want to go in this direction.

I am concerned that scare stories are being told that everybody will want to go for this in a big rush, but I do not think that will be the case. I think that many governing bodies, schools and groups will want to—*[Interruption.]* Well, the Secretary of State has talked about the huge amount of interest in this programme and I am sure that that is true, but I think that many people will want to see what happens and how things develop before deciding whether to take advantage of the provisions.

Andrew George: My hon. Friend has said that his concerns have been allayed. He will have heard my intervention on the hon. Member for Hartlepool (Mr Wright) in respect of the impact of these proposals on the admissions policies of each of the academies and what will happen when parents are unable to find a place in their local school which happens to be an academy—from whom they can seek redress in those circumstances if they have a justifiable reason to take the matter a stage further. I wonder how my hon. Friend might allay my concerns, given that his concerns in respect of the admissions policy have been allayed. This point is particularly important if we bear in mind the fact that the first academies are likely to be the outstanding schools—those that all pupils would wish to go to.

Dan Rogerson: My hon. Friend raises an important point. He has intervened on both the hon. Member for Hartlepool (Mr Wright) and me, and he will no doubt want to raise his question with the Minister when he responds—indeed, the Minister may well wish to do address it in any case. When talking about fears being allayed, the particular point I was addressing was to do with community cohesion, which is very important. It is about the way in which the existing maintained schools, the new academies that have transferred over and other new school provision that is offered will interact and relate to the surrounding community. There has been a bit of progress on that, which I welcome.

On the tempting invitation from the hon. Member for Hartlepool to support the Labour amendment, I must say that their conversion comes a little late on some of these issues. As my party colleagues, my hon. Friends the Members for St Ives (Andrew George) and for Redcar (Ian Swales), have already said in this brief debate, in respect of how the relationships emerge most of the provisions were in existence and operation under the previous academies programme. I do not think there is any huge difference therefore. The only difference is that this is someone else's academy programme, not that of the hon. Gentleman.

Mr Gibb: Amendment 79 would require the Secretary of State to consult all those listed in the amendment before making an academy order in respect of a maintained school. As I have mentioned a number of times, clause 5 already requires the governing body of a maintained school wishing to convert to academy status to consult on its proposals. That provision was included in the Bill in response to concerns raised in the other place and in order to demonstrate the importance that this Government attach to consultation. I believe, therefore, that it is unnecessary and inappropriate, not to mention impractical, for the Secretary of State to consult on those same proposals. It should be the school's decision to become an academy, except in those cases where the school is eligible for intervention. It is our aim to reduce any unnecessary bureaucracy surrounding the academy conversion process, and I believe that potentially duplicating consultation would fall into that category.

We have made it very clear that we believe that schools are in the best position to determine how best consultation should take place. That includes deciding who should be consulted, although some guidance is provided on the website as to who is consulted, and when and how that should be done. We do not intend to provide an inflexible checklist, such as that proposed in this amendment, which would not, in itself, ensure that consultation was any more meaningful.

New clause 7 would mean that before a school makes an application for an academy order or an academy arrangement with an additional school, a local authority must be asked to assess the impact of academy status on admissions, on funding between all publicly funded schools and on social cohesion in the local authority area where the school is situated. It would also mean that before making an academy order or an academy arrangement with an additional school, the Secretary of State would be required to have regard to the impact assessment.

Clause 9 requires the Secretary of State, when deciding whether to enter into academy arrangements with an additional school—an entirely new or "free" school—to take into account the impact of such a school on the existing schools and colleges in the area. We believe that requiring the local authority to consider the impact of an additional school as well is unnecessary and will simply result, again, in the duplication of work. The clause does not include provisions for the Secretary of State to assess the impact of schools that convert into academies. We are clear that schools should convert "as is"; in most cases, it will be the same head, the same staff, the same parents and the same children in the school, but with additional freedoms to innovate and raise standards. Furthermore, the requirement for converting schools to consult means that those other schools in the area may have the chance to make representations on the proposed conversion. Where schools convert "as is" we do not believe, therefore, that the nature of the change is such that there is any need for an impact assessment.

Andrew George: The Minister will have heard my two interventions about the availability of an appeals process where an admissions policy excludes potential pupils from a school before they have been able to gain admission to the school. Under the current arrangements, in most areas the parents can appeal to the local authority if they feel that the decision is unacceptable. What arrangements will apply where an academy has been set up?

Mr Gibb: My hon. Friend will know that the admissions code will apply just as much to academies as to maintained schools, that the admissions appeals code will also

apply just as much to academies as to maintained schools and that the co-ordination arrangements will apply too. So the local authorities will hold the ring on admissions in the same way as they do at the moment.

Mr Iain Wright: I may be pre-empting what the Minister is going to say. He has been talking about existing maintained schools converting to an academy, using the phrase "as is" and he mentioned that schools would have the same head, the same estate and so on. New clause 7(1) states:

"Before a school makes an application for an Academy order or"—

this is the point on which I seek clarification—

"an Academy arrangement with an additional school".

That refers to a free school. Will the existing arrangements still apply in respect of a free school too? Could the Minister provide clarity on that?

Mr Gibb: I shall seek to do that during the rest of my speech. If I do not get round to the hon. Gentleman's point, I shall write to him.

We believe that the impact of an increase in academies and the freedoms they provide will lead to improvements in standards across the education sector as the best heads and the best schools drive improvements and expertise. The noble Lords were concerned about schools changing their age range and the Bill was amended to allay those concerns. Subsection (4) of clause 9 makes it clear than when a maintained school becomes an academy under the current school closure processes, further to the Education and Inspections Act 2006 and not further to an academy order, when the age range is not like-for-like, the school would be classed as an additional school, so the Secretary of State would be required to evaluate the impact. That would include, for example, an academy created as a result of the amalgamation of two or more schools or an 11-to-18 academy that replaced an 11-to-16 maintained school, if that involved a closure rather than a conversion. Any school wishing to add a sixth form would need to follow the relevant statutory provisions.

The answer to the question whether the admissions code and the appeals code will apply to free schools, too, is yes, it will. The problem with the Minister's opening remarks—

Mr Wright: I'm not the Minister any more.

Mr Gibb: Sorry, the shadow Minister. It is all very new.

The problem with the shadow Minister's speech in moving the amendment was that it was written, I think, before he heard of the Government's intention to put in the funding agreement an explicit requirement to promote community cohesion. On top of that, it already requires academies to be at the heart of the community. He cited the Liberal Democrat manifesto commitment that local authorities will not run schools. That is a view common throughout the coalition and we also agree that local authorities should be the champion of parents and pupils, championing school improvement and challenging rather than defending underperforming schools. In an old politics kind of way, he is trying to drive a wedge into fissures in the coalition where no fissures exist—and he is doing so unsuccessfully.

The point made by the hon. Member for Gedling (Vernon Coaker) about excluded pupils is wrong. He alleged that the funding for an excluded pupil stays with the academy. The funding follows the pupil when the pupil is excluded and that is a requirement in the academy agreement.

With those few words, I hope that I have persuaded Opposition Members and those elsewhere to withdraw their amendments.

Mr Iain Wright: I apologise to the Minister on the subject of the concession that he has made on social cohesion and community cohesion in the funding agreement. I had meant to mention that, but I was wrapped up in helping Liberal Democrats. I apologise; that is a welcome concession.

The hon. Member for North Cornwall (Dan Rogerson) went so far in tempting me to think that he does not agree with academies, but then he pulled back considerably. He mentioned, rightly, that coalition—like all politics—is a question of compromise and negotiation, but I think that the Liberal Democrats are getting a bit of a raw deal in the coalition agreement when it comes to education policy. I will readily admit that today there has been the announcement on school funding and the pupil premium and I am pleased to see the Minister of State, the hon. Member for Brent Central (Sarah Teather), on the Treasury Bench. I pay tribute to her for pushing that forward.

In every other sense, the emphasis has been on Conservative party policy, with an emphasis on free markets. There has been a rush to the markets and a lack of consultation with and consideration for the wider community that is at odds with what the Liberal Democrats want. I shall still provide the hon. Member for North Cornwall and his hon. Friends, who seem readily poised to join us in the appropriate Lobby, with the opportunity to ensure that the commitments that were made in the Liberal Democrat manifesto in the general election, only a matter of weeks ago, can still be fulfilled.

I am not content with the Minister's explanations in terms of new clause 7. I think it is very important and I will want to press that to a vote, but I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 4 ordered to stand part of the Bill.

Clause 5 ordered to stand part of the Bill.

Clause 16

PRE-COMMENCEMENT APPLICATIONS ETC

Question put, That the clause stand part of the Bill.

The Committee divided: Ayes 319, Noes 222.

Division No. 47] **[9 pm**

AYES

Adams, Nigel	Bacon, Mr Richard
Afriyie, Adam	Bagshawe, Ms Louise
Aldous, Peter	Baker, Norman
Alexander, rh Danny	Baker, Steve
Amess, Mr David	Baldry, Tony
Andrew, Stuart	Baldwin, Harriett
Arbuthnot, rh Mr James	Barclay, Stephen

Barker, Gregory
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burstow, Mr Paul
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Jones, Andrew
Jones, Mr Marcus
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela

Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Philip Dunne and Bill Wiggin

NOES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Fovargue, Yvonne
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Jackson, Glenda
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Mr Dave Watts and Steve McCabe

Question accordingly agreed to.

Proceedings interrupted (Programme Order, 19 July).

The Chair put forthwith the Questions necessary for the disposal of the business to be concluded at that time.

Clauses 17 to 19 ordered to stand part of the Bill.

Clause 20

SHORT TITLE

Amendment made: page 10, line 25, leave out subsection (3).—*(James Duddridge.)*

Clause 20, as amended, ordered to stand part of the Bill.

New Clause 7

SOCIAL COHESION

(1) Before a school makes an application for an Academy order or an Academy arrangement with an additional school the relevant local authority must be asked to assess the impact of Academy status on—

(a) admissions in the local authority area where the school is situated;

(b) funding between all publicly funded schools in the local authority area where the school is situated; and

(c) social cohesion in the local authority area where the school is situated.

(2) The impact assessment in subsection (1) should be made with regard to any existing policies the local authority or local schools forum have in relation to (a), (b) and (c).

(3) Before making an Academy order or an Academy arrangement with an additional school the Secretary of State must have regard to the impact assessment in subsection (1) made by the local authority.'.—*(Mr Iain Wright.)*

Brought up.

Question put, That the clause be added to the Bill.

The Committee divided: Ayes 223, Noes 315.

Division No. 48] **[9.13 pm**

AYES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Fovargue, Yvonne
Gapes, Mike
Gardiner, Barry
George, Andrew
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hood, Mr Jim
Hopkins, Kelvin
Horwood, Martin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Jackson, Glenda
Jamieson, Cathy
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Ward, Mr David
Watson, Mr Tom
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Steve McCabe and
Mr Dave Watts

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Browne, Mr Jeremy
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burstow, Mr Paul
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Jones, Andrew
Jones, Mr Marcus
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew

Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Norman Lamb and
Mr Philip Dunne

Question accordingly negatived.

The Deputy Speaker resumed the Chair.

Bill, as amended, reported.

Third Reading

9.25 pm

Mr Gibb: We have had an interesting week of debates on the Bill, and I thank all hon. Members who took part, particularly my hon. Friends the Members for Penrith and The Border (Rory Stewart) and for South Basildon and East Thurrock (Stephen Metcalfe), who made their maiden speeches during these debates. I should also like to thank the Minister of State, Department for Education, my hon. Friend the Member for Brent Central (Sarah Teather), for her help, and the right hon. and hon. Members on the Opposition Front Bench for their careful and thorough scrutiny of the Bill.

I thank officials in the Department for the long hours that they have spent on the Bill during its passage through the other place and this House, and for their support of my right hon. and hon. Friends. We should also thank the Chairs of the Committee: Mr Evans, Mr Caton, you, Mr Deputy Speaker, and Ms Primarolo, whom my hon. Friend the Member for Portsmouth South (Mr Hancock) lovingly referred to as "Miss P". I am grateful to my noble Friend Lord Hill, who skilfully steered the Bill through the other place just days after being appointed a Minister, and to my hon. Friends and noble Friends who have improved the Bill and the model funding agreement in both the other place and this House.

Throughout the process we have been keen to listen to concerns, particularly, though not exclusively, those of our partners in the Liberal Democrat part of the coalition. Amendments in the other place have given children with special educational needs greater rights to admission to academies than existed in previous academies legislation, and new requirements for funding for low-incidence special needs have been added. New duties to consult have been included in clauses 5 and 10, and the Secretary of State will now be obliged by statute to take into account the impact on other schools of any new school established under the Bill. That is now in clause 9.

My noble Friends have added greater parliamentary accountability through an annual report to Parliament, which will also enable us to analyse issues of concern to my hon. Friend the Member for North Cornwall (Dan Rogerson), such as the viability of primary schools that opt for academy status. He made a compelling case for increasing the number of parent governors, so as I mentioned earlier, the model funding agreement will be changed to increase the number from one to two. Opposition Members have successfully ensured that the funding agreement includes a requirement for looked-after children to have a designated member of staff.

Bob Russell (Colchester) (LD): Will the two parent governors be elected by other parents or appointed?

Mr Gibb: My understanding is that they will be elected, but if I am proved wrong I will write to my hon. Friend.

After 22 hours in Committee and nine hours on Report in the other place between 7 June and 13 July, and after 19 and a half hours of Second Reading and Committee in this House, not including this afternoon and evening, we finally reach Third Reading of a Bill that, in the words of my right hon. Friend the Secretary of State,

"grants greater autonomy to individual schools...gives more freedom to teachers and...injects a new level of dynamism into a programme that has been proven to raise standards for all children and for the disadvantaged most of all."—[*Official Report*, 19 July 2010; Vol. 514, c. 24.]

I shall start by saying what the Bill is not about. It is not about a "full-scale assault" on comprehensive education—a ludicrous claim by the shadow Secretary of State in *The Guardian* on Saturday. We believe in comprehensive education and are committed to it, and the Bill will strengthen it. Nor is it about scrapping the admissions code, another spurious claim about the Government's education policies by the shadow Secretary of State. We are committed to fair admissions through the code, and all academies will be bound by it through the model funding agreement.

Nor is this Bill about the creation of a two-tier education system. Two tiers are what we have today—the best performing state schools and the worst. The independent sector, which educates just 8% of children, is responsible for 44% of all A* grades in GCSE French. It educates just 10% of 16-18 year olds, but is responsible for 35% of all A grades in A-level physics.

The Bill offers all schools the opportunity to acquire the kind of professional freedoms that have proved so successful not only in the independent sector, but in the city technology colleges and in academies. After 20 years of independence, CTCs are among the most successful schools in the country. On average, in those schools, 82% achieve five or more GCSEs at grades A* to C, including English and maths. In those academies that have been open long enough to have had GCSE results in 2008 and 2009, a third have GCSE results that improved by 15 percentage points compared with their predecessor schools.

There have been 1,958 expressions of interest from schools in all parts of the country. Of those 1,071 are from schools graded outstanding by Ofsted. Many of the heads and governing bodies of those schools are hungry for the freedoms in the academies legislation that the previous Administration introduced. They are in a hurry to have them by September and, for those schools that are ready and able, so are we.

We are in a hurry because we do not think that it is right that 40% of 11-year-olds leave primary school still struggling with reading, writing and maths. It is not

acceptable that nearly three quarters of pupils eligible for free school meals fail to get five or more GCSEs or equivalents at grades A* to C, including English and maths, or that 42% of those eligible for free school meals fail to achieve a single GCSE above grade D.

I know that there are some concerns among hon. Members of all parties about the future role of local authorities if all schools become academies. However, I should point out that there are 203 academies out of 3,300 secondary schools and some 17,000 primary schools. It will be many years, if at all, before all those schools acquire academy status. The Bill is permissive, not prescriptive or mandatory. We see a new and stronger role for local authorities emerging over the years as champions of parents and pupils, challenging rather than defending underperforming schools. My right hon. Friend the Secretary of State has established a ministerial advisory group to take that forward and written to all education authorities seeking views.

The Bill is the first step in the coalition's ambitious plans to raise standards in all our schools. We want parents not to have to worry about the quality of education that their children will receive at their local school. We want behaviour in all schools to be as good as in the best. That is why we are clarifying and strengthening teachers' powers and abolishing the statutory requirement for 24 hours' notice for detentions. We want a teaching profession with renewed morale and confidence, no longer struggling under the yoke of monthly Government initiatives and ever-demanding bureaucratic requirements.

The Bill is about trusting the professionalism of teachers and head teachers. It is about innovation and excellence, about giving parents a genuine choice and children the opportunity for a better future. It is a short Bill, but its impact will be long lasting. I commend it to the House.

9.33 pm

Ed Balls (Morley and Outwood) (Lab/Co-op): It is customary to commence a Third Reading debate with congratulations to hon. Members of all parties on the excellence of their speeches; to departmental officials and external advisers on the cogency of their briefing, and to you, Mr Speaker and your Deputies on your conduct of the proceedings. Tonight must be no different. Therefore, on behalf of the shadow Education Ministers and all Labour Members, I commend all those who have taken part in the debates, with a special mention to my hon. Friends the Members for Gateshead (Ian Mearns) and for North West Durham (Pat Glass) for their contributions, as well as—the list is only partial, from the speeches that I have heard—the hon. Members for Brigg and Goole (Andrew Percy), for Beverley and Holderness (Mr Stuart), for St Ives (Andrew George), for North Cornwall (Dan Rogerson), for Portsmouth South (Mr Hancock) and for Bradford East (Mr Ward).

However, normally those tributes are paid after weeks of post-Second Reading scrutiny—after many days of Committee deliberations and hours of scrutiny on Report. Those weeks of debate in Parliament are important because, although consensus may not be reached on every point, everyone can feel that they have raised issues, aired concerns and had their say. Not so with this Bill. In the opinion of my hon. Friends and I, and many outside experts, the flawed and rushed provisions in the Bill risk ripping apart the community-based comprehensive education system that we have built in this country over decades. We fear that the Bill will make things worse for our schools, our children's futures and the cohesion of our communities, yet it has been railroaded through from Second Reading to Third Reading in just seven days, with just three days in Committee, and following unprecedentedly constricted debates in the other place.

There has been no time for proper debate or scrutiny, no Report, and no amendments have been allowed, and hon. Members on both sides of the House have had no opportunity to correct some of the Bill's worst excesses. Three weeks ago, we had the unedifying sight of the Secretary of State having to apologise twice to the House because of his rushed and discourteous handling of his school buildings cancellation. It is a pity that he has not learned that rushing through unfair or ill-thought through policies does him no credit.

As I said on Second Reading just seven days ago, the Secretary of State was clearly fearful of what proper parliamentary scrutiny would throw up about the Bill. As the hon. Member for Southport (Dr Pugh) said earlier from the Government Benches, "We have the spectacle of Ministers who have already told us that they will accept no amendment, period, and the sight of Whips new and old cracking their knuckles off-stage and perfecting basilisk-like stares in the mirror."[HON. MEMBERS: "What?"] I have no clue what that means, but it sounds very bad to me. If the hon. Gentleman were in the Chamber, I would be happy for him to intervene to tell us. He is a Liberal Democrat, so clearly, among those on the Government Benches not only the Chair of the Select Committee on Education is deeply critical of the handling of the Bill.

The Opposition are very proud of the biggest school-building programme since the Victorian era, of the best generation of teachers we have ever had in our country, and of the hard work of children, parents and teachers. That has delivered the biggest increase in standards for many years. We have gone from fewer than half of schools not reaching the basic standard to just one in 12 over the past 10 years. It is our firm view that the Bill will create an unfair, two-tier education system, and gross unfairness in funding. Standards will not rise but fall, and fairness and social cohesion will be undermined.

Chris Skidmore (Kingswood) (Con): The right hon. Gentleman mentioned that he is proud of bringing up a new generation of teachers. The Bill is principally about handing power back to teachers to set up good new schools. Why is he running scared of that?

Ed Balls: The most important issue is standards, not structures, and the Bill is all about structural change that cuts out consultation with teachers, governors, parents and communities, and that undermines the ability of people to ensure that their local area has a proper spread of schools. The fact is that the Bill is a complete free market free-for-all. That is why I am critical of it.

There have been some words of reassurance and promises of reviews to come, but none of any substance. The explanatory notes to the Bill state:

"The Secretary of State expects that a significant number of Academies will open in September 2010",

[Ed Balls]

but we now know—we heard it this afternoon—that such are the rushed provisions of the Bill and the lack of substance to those expressions of interest, no academies at all will open this September. We are rushing this through purely to have orders agreed by next September. This is just an attempt to bounce the coalition partners into agreeing before they wake up to exactly what is going on.

I shall explain that in more detail. What has become abundantly clear in the short time that we have had to debate this Bill is that, by dropping any pretence at consultation and clearing away the role of the local authority entirely, the Secretary of State has made it possible, through this legislation, to divert billions of pounds from existing school building, the Building Schools for the Future programme, into the creation of new, additional school places through the setting up of new, free market schools, even when there are already too many school places, creating a chaotic free market.

Chris Skidmore *rose—*

Ed Balls: I will take a second intervention from the hon. Gentleman, but I hope that it is better than the first one.

Chris Skidmore: The right hon. Gentleman is right that it is standards, not structures that are important, so I find it hard to believe his new obsession with the BSF programme, which he never had the money for in the first place. But he did not answer my first question: why is he running scared of allowing teachers to set up schools? Why is he running free—I mean scared—of giving teachers that freedom?

Ed Balls: I am not running free, or even scared. I support new schools where we need new schools, but I have been to the Brunel academy and seen the huge boost to the aspirations of the children in that part of Bristol from the first ever BSF programme. I also went to Knowsley last year and opened a new BSF school. I asked two year 9 pupils what they thought of the school. They said that they never thought that anybody would think that they were sufficiently important to have a school like that built for them. That boost to aspiration, hope and expectation has been taken away from 700 schools and from 700,000 children all around the country, and that is why I am critical of this Bill and that decision. This is paving legislation for the new free market schools.

I wish to remind the House of the amendments that have been rejected by the Government in the few hours that we have had to debate this Bill because of the no amendment rule—

Mr Mike Hancock: Like the shadow Education Secretary, I think that this Bill is a threat to comprehensive education. But I thought that his Government's Bill on academies was also a threat to comprehensive education. What is the difference now?

Ed Balls: The only similarity between our policy on academies and the new policy on academies is that the Secretary of State has pinched the word "academy" and attached it to the new schools he wishes to establish. Our academies were set up in the most disadvantaged areas, not the most affluent areas. They were set up with the agreement of local authorities rather than to avoid any role for local authorities. They taught the core parts of the national curriculum, including sex and relationship education, rather than opting out entirely from the curriculum. They had an obligation not just on looked-after children, but to co-operate to stop competitive exclusions in an area, and that has been entirely removed by this Bill. There was a requirement for our academies to have a sponsor, and that has been removed. We had a requirement for proper consultation with the community, also removed. Our academies programme was about tackling disadvantage. The new policy is about encouraging elitism and enabling the affluent to do better. That is why it is so deeply unfair.

Gavin Barwell (Croydon Central) (Con): The right hon. Gentleman has just said that the academies that the previous Government set up were in disadvantaged areas. In the London borough of Croydon, he approved two academies in two of the most affluent wards in the borough.

Ed Balls: The fact is that our academies were disproportionately set up in disadvantaged communities. They disproportionately took in more children on free school meals than the catchment area required, and they achieved faster-rising results than the average. That was social justice in action; what we are seeing with this Bill is the opposite. The freedoms and the extra resources in the Bill are going to outstanding schools, not schools that need extra help. They are going to schools that have more children from more affluent areas, fewer children with free school meals, and fewer children with special needs and disabilities, even though they will get pro rata funding. That is not social justice being put into action; it is social injustice. That is why the Bill is deeply offensive to people on the Opposition Benches and, I think, probably to many on the Government Benches as well.

Mr Gibb: But why is the legacy of the right hon. Gentleman's Government the fact that outstanding schools are disproportionately in areas of affluence?

Ed Balls: If the hon. Gentleman looks at the facts over the past decade, he will see that of the 20 local authorities that had the biggest increase in results, half were in the poorest 10% of boroughs in the country, all of which were in London. The London Challenge programme and our academies focused on tackling disadvantage. Of course there is a long legacy of social division and inequality in our education system. We were addressing it; the Government are going to re-entrench it. That is the difference.

Let us look at the amendments that—*[Interruption.]* The Secretary of State, who chose not to participate in this Third Reading debate—*[Interruption.]*

Mr Speaker: Order. Let me say that we have 15 minutes left to complete our consideration of Third Reading. We do not have enough time to go back to 1931 and Ramsay MacDonald.

Ed Balls: It would have been better if the Secretary of State had contributed to this debate, given that it was so truncated. The only thing that I will say, Mr Speaker, is that in 1931, Ramsay MacDonald cut public spending to try to get us out of a recession. That caused a depression, and I am afraid that he ended up going into a coalition with the Conservatives. In that debate the Liberal Democrats opposed the cuts that were being made; unfortunately, this time they are propping up the coalition. However, I did not raise the issue of Ramsay MacDonald, Mr Speaker, so I will move on.

Let me look at the amendments tabled that have been rejected. First—

Mr Speaker: Order. Let me gently say to the shadow Secretary of State—this is a point often not fully comprehended on either side of the House—that contributions to Third Reading debates have to be on the remaining content of the Bill, and must not focus on matters that have been excluded from it. But I know that the right hon. Gentleman will reorient his remarks readily.

Ed Balls: In that case, Mr Speaker, I will make no reference to the fact that a requirement that the admissions code should attach to such schools was excluded from the Bill, nor will I refer to the fact that parental consultation could have been strengthened, but that that was ignored.

Let me come to the substance of the Bill as we find it. The thing that worries me most is this—

The Secretary of State for Education (Michael Gove): That Unite backed Ed Miliband.

Ed Balls: The right hon. Gentleman makes his jokes, but as Secretary of State he is, in my view, presiding over the most profoundly unfair piece of social engineering in this generation, and in the end he will be ashamed of what he has done this evening and over these past few days. That is my strong view. The contemptuous way in which he has treated the House of Commons in recent weeks is a matter of great shame to him as well.

In any case, the Liberal Democrats appear to have completely forgotten their manifesto, which declared that

"we will ensure a level playing field for admissions and funding and replace Academies with our own model of 'Sponsor-Managed Schools'. These schools will be commissioned by and accountable to local authorities and not Whitehall".

However, the Bill entirely removes any role for local authorities. We are told now by the Schools Minister that there will be a new ministerial advisory group. However, the fact is that cutting out the role of the local authority will mean that there will be no check on the pressures for free market schools to lead us not just to massive unfairness, but to what we fear will be much greater social segregation in the coming weeks, months and years. I fear a new education social apartheid arising from this Bill.

I am very fearful, and that is why I say to Government Members that this Bill is the greatest threat to our state education system in 60 years. It is a Bill of great significance, but it has been rushed through in a way that is an abuse of Parliament. As I said a moment ago, I think that the Secretary of State should be ashamed of himself. This evening we challenge the coalition, Conservatives and Liberal Democrats alike, to put a halt to this deeply ideological, free market experiment before it is too late, and to vote against the Third Reading of the Bill.

9.49 pm

Gavin Barwell: I spoke in the Second Reading debate and sat through most of the Committee stage because one of the main issues in my constituency is standards in schools, particularly secondary schools. The former Secretary of State, the right hon. Member for Morley and Outwood (Ed Balls), approved a number of academies in the London borough of Croydon, often in schools with a deprived pupil cohort that were in affluent areas. That catchment could change over time as the schools improve. He was right to do that, but the question that I want to ask Labour Members is why they want to limit to underperforming schools the improvements that the academy programme has delivered. Why should not good, satisfactory or outstanding schools also seek to improve? In my borough, one third of parents who choose to send their children to a state primary school do not go on to send them to a state secondary school in Croydon. They look to selective schools outside the borough and to schools in the independent sector. I would have thought that Opposition Members wanted improvements in schools right across the board in my borough, to give parents the confidence to send their children to local schools.

In Croydon, we had the Harris city technology college. It was one of the original CTCs, and it is now the Harris academy Crystal Palace. More than 500 parents wanted to send their children there this year—more than twice as many as to any other school in our borough. We also have schools such as the Coloma convent school, Archbishop Tenison's high school and Wolsey infants school. These are outstanding schools that want to take up the opportunities that the Bill offers.

The shadow Secretary of State spoke of the importance of spreading opportunity in disadvantaged areas. Wolsey infants school is in the middle of the town of New Addington in my constituency—one of the most deprived parts of London. It is an outstanding school that is doing a fantastic job for pupils from a deprived background, and it wants to take on the additional freedoms that academy status will offer. Why do Opposition Members want to deny that school that opportunity?

Beyond those outstanding schools, we have Shirley high school and St Mary's junior and high schools. They are good or satisfactory schools that have also expressed an interest in taking on the opportunities that academy status offers. Why should they be denied that opportunity? Why should it be reserved solely for a certain class of school?

We also have to accept that there are local authorities that are not as progressive as my own, and that do not take action to deal with underperforming schools. Indeed, the shadow Secretary of State took a great deal of action when he was Secretary of State to push councils into taking that kind of action. The Bill will give freedom to parents who have been told, year after year, that there is no place for their child in the schools that they want them to go to. It will give them the opportunity to find a place for their child in a satisfactory school. Local authorities should be doing that already, and

[Gavin Barwell]

those that are taking the right action and driving up standards have absolutely nothing to fear from this legislation, but it will give an option to parents who have not been given that opportunity, year after year.

I am conscious that other hon. Members want to speak in the debate, so I shall draw my remarks to a close. I welcome the debate that we had in Committee, and I paid tribute earlier to the hon. Member for Gedling (Vernon Coaker) for his contribution. I disagree with him about primary schools, and with his point about surplus places being a bar to academies being set up. He was right, however, to raise the issue of special educational needs. We have had a long and detailed debate, which has added something to the Bill. I shall be grateful to see the Bill pass into law because it will drive up opportunities for pupils right across my constituency.

9.53 pm

Glenda Jackson (Hampstead and Kilburn) (Lab): I was interested to hear the contribution of the hon. Member for Croydon Central (Gavin Barwell). He spoke eloquently of the freedoms that will be presented to the schools in his constituency, but he markedly failed to give details of what those freedoms would be, as indeed has the Bill. One of the freedoms is said to relate to expansion. We all have schools in our constituencies that are oversubscribed. However, the capacity for expansion, which would enable parents in my constituency to send their children to schools with very high standards, was completely sabotaged by the Secretary of State cancelling the Building Schools for the Future programme, so capacity is still an issue.

I was interested to hear the Minister of State, Department for Education, the hon. Member for Bognor Regis and Littlehampton (Mr Gibb), making a direct comparison between comprehensive state education and the independent sector. I was having a conversation with a parent only this weekend, and she told me that, in the school that her children attend, there are only 18 children in every class. If the Government are so committed to raising standards in the state sector so that they meet and pass those of the independent sector, why are they not spending their time and energy putting the necessary funding into the state system so that those class sizes could become the norm rather than the exception?

The central issue is that the Bill has nothing to do with freedom for all our people; it has to do with exclusion, not inclusion. The failure to consult on these proposals across a wide range of people in the community will mean that more and more children, certainly in my constituency, will be excluded from the best that already exists. The best that already exists is from a system that was funded by my Government, and that acknowledged the need for wide consultation across the community, with services presented to all schools from a local authority, which is essential to those standards. The proposal of the Minister and the Government, however, will sabotage those standards. As I had occasion to say on Second Reading, and as I have continued to say, we will not only see standards go down in our state sector as result of the Bill, but we shall see centrally, and most reprehensibly, serious social division, of which he and every member of his collaborationist Government should be ashamed.

9.55 pm

Dan Rogerson: I extend my thanks to all hon. Members who participated in the debate, to the Minister, who has done his best to listen and take on board the issues raised, and to the hon. Members for Hartlepool (Mr Wright) and for—famously—Gedling (Vernon Coaker), who have led ably for the Opposition.

I am delighted to say that the Bill is better than when it started out. Clearly, in another place it was altered to reflect some of the concerns generated there and outside. During the Committee stage in this place, we have heard, on the record, that there are no extra sources of funding for the academies above and beyond the money that will go to the local authority for them; that the role of the Young People's Learning Agency with regard to monitoring will be clarified; and that there will be wide consultation, the intent of which will be explained, which is helpful. The Minister has also generously pointed out that the role of parent governors will be strengthened.

Bob Russell: Does my hon. Friend agree that it is disappointing that the Minister was not able to say whether parent governors would be elected or appointed? The other issue is that existing comprehensive schools can have as many as eight elected parent governors, whereas under the Bill the number is only two.

Dan Rogerson: My hon. Friend has made his point to the Minister and the House as is his wont.

The progress that occurred in the other place on the impact statement has been crucial. Tonight's discussions about community cohesion have also been important. The hon. Member for Hemsworth (Jon Trickett), who is no longer in his place, made some useful points on that, and I was delighted to hear the Minister's reassurance.

It is nice to see the shadow Secretary of State for Education in his place. He was not here for most of the debate—someone was, because they wrote his speech for him. As a comprehensive-educated boy, I can point out to him that a basilisk is a mythological reptile that can freeze someone with its breath or stare. That point aside, it is clear that he has not listened to the debates too closely. For some of us who do not have the widening of the number of academies at the top of our political agenda, the explanation of the Government's thinking has reassured us about a Bill that, with some welcome safeguards, allows that in places that are keen for it to happen.

9.58 pm

Andrew Percy: I was not planning to speak on Third Reading, but I want to respond to a couple of points made by the shadow Secretary of State, particularly relating to Labour Members' concerns about special educational needs and inclusion. We should always use temperate language, and although debate on the Bill has been interesting and measured on both sides of the House, the extreme language used—we heard some recently from the hon. Member for Hampstead and Kilburn (Glenda Jackson)—about social division, apartheid and exclusion has been incredibly unfortunate. As the Bill has progressed, we have received assurances from Ministers about the content of funding agreements with regard to social inclusion and SEN. It is incorrect to

suggest that only Labour Members are interested in those issues. Many Members have raised concerns and received assurances from Ministers.

The Bill has been improved in another place, and welcome assurances have been received from Ministers. Ultimately, we should accept that parents will be given a choice, and it is for parents and governors to take the Bill forward and make what they can of it. The suggestion that schools will, in some way, do something bad for their community is a nonsense.

Question put, That the Bill be now read the Third time.

The House divided: Ayes 317, Noes 225.

Division No. 49] **[9.59 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Browne, Mr Jeremy
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burstow, Mr Paul
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Jones, Andrew
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee

Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Philip Dunne and Norman Lamb

NOES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Fovargue, Yvonne
Gapes, Mike
Gardiner, Barry
George, Andrew
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Jackson, Glenda
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Speller, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka

Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Ward, Mr David
Watson, Mr Tom
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Mr Dave Watts and
Steve McCabe

Question accordingly agreed to.
Bill read the Third time and passed, with an amendment.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118 (6)).

SERIOUS ORGANISED CRIME AGENCY

That the draft Serious Organised Crime and Police Act 2005 (Disclosure of Information by SOCA) Order 2010, which was laid before this House on 18 January 2010, in the previous Parliament, be approved.—*(James Duddridge.)*

Question agreed to.

ADMINISTRATION

Ordered,

That Geoffrey Clifton-Brown, Rosie Cooper, Frank Dobson, Thomas Docherty, Gemma Doyle, Mr Mark Francois, Sir Alan Haselhurst, Mrs Siân C. James, Dr Phillip Lee, Nigel Mills, Tessa Munt, Sarah Newton, Bob Russell, Mr Shailesh Vara, Mr Dave Watts and Mike Weatherley be members of the Administration Committee.—*(Geoffrey Clifton-Brown, on behalf of the Committee of Selection.)*

ENVIRONMENTAL AUDIT

Ordered,

That Peter Aldous, Richard Benyon, Neil Carmichael, Martin Caton, Katy Clark, Murray, Caroline Nokes, Mr Mark Spencer, Dr Alan Whitehead and Simon Wright be members of the Environmental Audit Committee.—*(Geoffrey Clifton-Brown, on behalf of the Committee of Selection.)*

EUROPEAN SCRUTINY

Ordered,

That Mr William Cash, Mr James Clappison, Michael Connarty, Jim Dobbin, Julie Elliott, Tim Farron, Nia Griffith, Chris Heaton-Harris, Kelvin Hopkins, Chris Kelly, Tony Lloyd, Penny Mordaunt, Stephen Phillips, Jacob Rees-Mogg, Henry Smith and Ian Swales be members of the European Scrutiny Committee.—*(Geoffrey Clifton-Brown, on behalf of the Committee of Selection.)*

COMMITTEES

Mr Speaker: With the leave of the House, we will take motions 8 to 12 together.

Ordered,

HUMAN RIGHTS (JOINT COMMITTEE)

That Dr Hywel Francis, Dr Julian Huppert, Mrs Eleanor Laing, Mr Dominic Raab, Mr Richard Shepherd and Mr Andy Slaughter be members of the Select Committee appointed to join with a Committee of the Lords as the Joint Committee on Human Rights.

NORTHERN IRELAND AFFAIRS

That Mr Joe Benton, Oliver Colvile, Mr Stephen Hepburn, Lady Hermon, Ian Lavery, Naomi Long, Jack Lopresti, Dr Alasdair McDonnell, Ian Paisley, Stephen Pound, David Simpson, Mel Stride and Gavin Williamson be members of the Northern Ireland Affairs Committee.

PROCEDURE

That Mrs Jenny Chapman, Mr Roger Gale, Mr James Gray, Tom Greatrex, John Hemming, Mr David Nuttall, Andrew Percy, Bridget Phillipson, Jacob Rees-Mogg, Angela Smith, Sir Peter Soulsby and Mike Wood be members of the Procedure Committee.

PUBLIC ADMINISTRATION

That David Heyes and Jon Trickett be added to the Select Committee on Public Administration.

REGULATORY REFORM

That Heidi Alexander, Mr David Anderson, Andrew Bridgen, Jack Dromey, Lilian Greenwood, Ben Gummer, John Hemming, Gordon Henderson, Andrew Jones, Ian Lavery, Brandon Lewis, Andrew Percy, Mr Robert Syms and Valerie Vaz be members of the Regulatory Reform Committee.—*(Geoffrey Clifton-Brown, on behalf of the Committee of Selection.)*

FINANCE AND SERVICES

Ordered,

That, notwithstanding the provisions of Standing Order No. 121(2) (Nomination of select committees), Sir Paul Beresford, Luciana Berger, Geoffrey Clifton-Brown, Robert Flello, Mr James Gray, Sir Alan Haselhurst, Mr Lindsay Hoyle, Mr Brooks Newmark, Jonathan Reynolds, John Thurso and Mr Iain Wright be members of the Finance and Services Committee.—*(James Duddridge.)*

STANDARDS AND PRIVILEGES

Ordered,

That Mr Kevin Barron, Sir Paul Beresford, Annette Brooke, Mr Tom Clarke, Mr Geoffrey Cox, Mr Jim Cunningham, Mr Oliver Heald, Eric Ollerenshaw, Heather Wheeler and Dr Alan Whitehead be members of the Standards and Privileges Committee.—*(James Duddridge.)*

ADJOURNMENT OF THE HOUSE (27 JULY)

Motion made,

That, on Tuesday 27 July, the Speaker shall not adjourn the House until any message from the Lords has been received, any Committee to draw up Reasons which has been appointed at that sitting has reported, and he has notified the Royal Assent to Acts agreed upon by both Houses.—*(James Duddridge.)*

Hon. Members: Object.

PETITIONS

Taxibus Services (Plymouth)

10.15 pm

Alison Seabeck (Plymouth, Moor View) (Lab): The petition is against the withdrawal of the taxibus services in Plymouth from Glenholt down through to the city.

The petition states:

The Petition of residents of the Plymouth, Moor View constituency and others,

Declares that the petitioners are unhappy with the decision to withdraw the taxibus service that serves the residents in the north of Plymouth; notes that residents in St Budeaux and Weston Mill use this bus to access their GP surgery, dentist, shops and other community facilities; and further declares that the withdrawal of this service will cause major inconvenience to residents.

[Alison Seabeck]

The Petitioners therefore request that the House of Commons urges the Government to encourage local authorities to support local taxibus services to avoid these vital public transport services being removed.

And the Petitioners remain, etc.

[P000847]

Free Swimming (Wakefield)

Mary Creagh (Wakefield) (Lab): I rise to present a petition on free swimming.

The petition states:

The Petition of Mrs Priscilla Whisker and residents of Wakefield constituency, and others,

Declares that HM Government's decision to cut the previous Labour government's free swimming scheme from 1 August 2010 will make it more difficult for under 16 and over 60 year olds to access swimming facilities in Wakefield; further declares that the scheme was part of the 2012 Olympics legacy to get more people involved in healthy activities; further declares that there are high levels of child obesity in Wakefield; and further declares that the cuts will disproportionately affect the health of poor people in Wakefield.

The Petitioners therefore request that the House of Commons urges HM Government to recognise the value of encouraging young people to take regular exercise and to learn to swim; to recognise the important health benefits of swimming to children and people over 60; to reconsider the cuts to the Swim 4 Free local authority grant support; and to reinstate the Swim 4 Free grant support to local authorities from 1 August 2010.

And the Petitioners remain, etc.

[P000848]

1GOAL For All Campaign

Derek Twigg (Halton) (Lab): I rise to present a petition on the 1GOAL For All campaign.

The petition states:

The Petition of staff and students at Halton Lodge School and their friends, relatives and others in their community,

Declares that the petitioners support the 1GOAL For All Campaign to use the power of football to contribute to securing universal primary education by 2015 (Millennium Development Goal 2); notes the progress that has already been made towards this goal, with 40 million more children in school since the Millennium; further declares that the petitioners are appalled that 72 million children across the world are still denied the opportunity of schooling; further notes that sport can be used to champion education, which gives people the tools to help themselves out of poverty...The Petitioners therefore request that the House of Commons agrees to any motion expressing support for the 1GOAL Campaign and urges the Leader of the House and the Backbench Business Committee to consider scheduling a debate on progress towards achieving Millennium Development Goal 2 (Universal Primary Education).

There are 452 petitioners.

Following is the full text of the petition:

[The Petition of staff and students at Halton Lodge School and their friends, relatives and others in their community,

Declares that the petitioners support the 1GOAL For All Campaign to use the power of football to contribute to securing universal primary education by 2015 (Millennium Development Goal 2); notes the progress that has already been made towards this goal, with 40 million more children in school since the Millennium; further declares that the petitioners are appalled that 72 million children across the world are still denied the opportunity of schooling; further notes that sport can be used to champion education, which gives people the tools to help themselves out of poverty; and further declares that Halton Lodge School has used the opportunity afforded by World Cup 2010 to engage with the international campaign founded and chaired by Her Majesty Queen Rania of Jordan, by watching and reading 1GOAL material, by producing artwork to raise the profile of the Campaign, by holding a 1GOAL school assembly and by opening the school for parents to watch the first game (France v South Africa) of the World Cup 2010 recently held in South Africa, an event which has raised the hopes and aspirations of millions of young people across Africa.

The Petitioners therefore request that the House of Commons agrees to any motion expressing support for the 1GOAL Campaign and urges the Leader of the House and the Backbench Business Committee to consider scheduling a debate on progress towards achieving Millennium Development Goal 2 (Universal Primary Education).

And the Petitioners remain, etc.]

[P000849]

Wind Farm (Puriton, Somerset)

Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con): The petition states:

The Petition of the residents of Woolavington and others,

Declares that they are concerned about plans by EDF Energy Renewables to develop a new wind farm at Withy Farm near Puriton; about the implications for local residents of noise from the turbines; the intrusive nature of the wind turbines and any possible additional power lines associated with them on the unique landscape of the Somerset Levels; and the potential damage to wildlife and their habitats.

The Petitioners therefore request that the House of Commons urges the Government to take all possible steps to take the impact on local communities and the landscape fully into account when considering plans submitted for the siting of wind farms and the provision of energy generation through renewable sources.

And the Petitioners remain, etc.

[P000850]

Blandford Community Hospital (Dorset)

Mr Robert Walter (North Dorset) (Con): I present a petition in the name of the Blandford community hospital in Dorset.

The petition states:

The Petition of Mrs Jacqueline Stayt and Mrs Josephine Seath, residents of the North Dorset community and others,

Declares that they are concerned about the future of Portman Ward at Blandford Community Hospital, Dorset.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Health to encourage NHS Dorset to consider seriously the impact on the local community of proposed cuts to services at Blandford Hospital, in particular the proposed closure of Portman Ward, and to ensure that decisions affecting the hospital's future reflect the concerns and needs of patients, staff and the community at large.

And your Petitioners remain, as in duty bound, will ever pray.

[P000851]

Hospital Car Parking Charges (Hereford)

Motion made, and Question proposed, That this House do now adjourn.—*(Bill Wiggin.)*

10.21 pm

Jesse Norman (Hereford and South Herefordshire) (Con): I am very grateful for the opportunity to bring before the House this important issue, which is of great local concern in Hereford, where a campaign led by Sarah Carr has resulted in a petition of more than 1,400 signatures against hospital car parking charges. It is important to emphasise that this issue is not about a "little local difficulty". On the contrary, it shines a bright light on the huge cost and inflexibility of the private finance initiative and raises some profoundly important long-term public policy issues about the management and financing of the NHS. It is a case study of the foolishness and self-serving incompetence of the last Government.

These charges are expensive and unfair. They affect hospital patients and their families at a very vulnerable and difficult time in their lives. They particularly target frequent users, such as those visiting in-patients and those suffering from cancer, and they are socially regressive, falling relatively harder on the poor than the rich. Nationally, patients are estimated to pay more than £100 million a year in these charges.

But the problem of car parking charges does not end with Hereford hospital—quite the contrary. The trust would like nothing better than to reduce or scrap the charges for those affected, but it cannot because its hands are almost completely tied by the hospital's PFI contract.

To see why, we need to step back a little. Hereford hospital was started in 1999 and was one of the earliest projects undertaken through the PFI. It was built, and is currently owned and managed under a 30-year contract, through Mercia Healthcare. Mercia is a special-purpose company that is 75%-owned by Semperian, a large PFI firm that is based in the City of London, and 25%-owned by the French industrial services giant, Sodexo. As well as being a shareholder, Sodexo acts as the contractor for car parking, among other things, which it in turn subcontracts out to CP Plus. Other non-clinical services are contracted out, including maintenance to WS Atkins.

The total cost of the project has been about £93 million. In return the hospital trust pays a unitary sum every year, currently about £15 million, which covers all costs—both capital and services. Governing all that is a huge legal contract that seeks to cover every eventuality that could arise between the two sides over its 30-year life. But there is little transparency in the contract as to how much different services cost or what margin is being charged on them. Instead, there is massive inflexibility.

This is how the contract works. A consultant who wants to put up a shelf in her office cannot do it herself or get the odd-job man in—after all, the trust does not own the hospital; instead, she has to use the in-house PFI contractor at unknown but doubtless significant expense. The contract allows up to 12 weeks for a quotation to be supplied and up to 12 more weeks for the work to be completed—six full months from when the original need arose. Even that is not necessarily the end of the matter. The contractor will also insist that some items be treated as capital items—as permanent additions to the infrastructure, and charged for in every subsequent year of the life of the contract.

A recent low point was reached with the installation of a new TV aerial in the consultants' staff room at the hospital. A "changes" notice was raised and sent to the contractor, WS Atkins in that case. Twelve weeks later, it was costed at the princely sum of £819 plus VAT, or a grand total of £963—almost £1,000 for a TV aerial! That is the reality of public contracting in the UK today.

It is significant that later PFI contracts contained some financial safeguards for the NHS, which included automatic efficiency savings of 3% a year and the right for a hospital to put services out to public tender periodically. However, the Hereford contract contains neither of those safeguards; any efficiency savings go direct to the PFI consortium. Yet including savings of only 3% a year would reduce the cost of services by 60% in nominal terms over the life of the contract. That is a lot of lost medicines, lost hospital care and lost surgery.

The car park is managed not by Mercia or by its contractor, Sodexo, but by Sodexo's subcontractor, CP Plus, in effect creating a treble mark-up on the deal. The hospital trust has little influence, knowledge of underlying costs or legal scope to negotiate changes to the contract. There are no automatic efficiency savings, and the contract cannot be re-tendered until 2029. The PFI consortium is thus sitting on a huge revenue stream, paid for by the taxpayer. My fear is that the contract is costing the taxpayer millions of pounds too much over its life.

Is it any surprise that the citizens of Herefordshire are paying so much for car parking, or that so little progress has been made to fix the problem, despite the trust's best efforts? Is it any surprise that cost inflation in the NHS has been running at twice the national level?

Let us take stock. The issue of car parking charges is a matter of public concern. Every year, thousands of vulnerable people are affected by the charges in Herefordshire alone. We must have a solution.

It is well known that PFI contractors have done very well over the years from the huge wave of spending that has taken place in the NHS. I therefore ask Sodexo and Semperian to sit down again with the hospital trust, open up the books, sharpen their pencils, pass on some efficiencies and work with the trust to craft a new agreement. For myself, I shall not let the matter rest until they do.

However, the deeper issue, here as elsewhere, lies in the impact of the PFI itself. It is almost as though these contracts were deliberately designed to impede public transparency and public accountability. The point is not to blame those who originally negotiated the Hereford contract; they were rightly delighted that the new hospital was being built, in a county traditionally starved of public investment. It was one of the earliest deals of its kind, and as with any new market it took time to develop the knowledge and safeguards of the public interest that existed in later deals.

But if we look more broadly, we see some staggering ironies. The PFI was used to protect the last Government's much-vaunted fiscal rules, only for the same rules to be spectacularly smashed anyway, as their spending boom gave us the longest and deepest recession on record. Secondly, the early PFI consortiums were actively encouraged by the Government to take on service provision

[Jesse Norman]

so that their debt could be put off balance sheet. The result has arguably been to impose hundreds of millions of pounds of unnecessary costs on the NHS, while the Office for National Statistics has started to look at bringing the same debt on to the national balance sheet anyway. You could not make it up, Mr Speaker. Thirdly, the PFI has put car parking and other services beyond the scope of public accountability, while the structure of the contracts prevents hospital trusts from having the very information they need to renegotiate the contracts themselves.

This cautionary tale raises a vital wider question. At a time of fiscal crisis, should PFI projects be exempt from contributing to the public purse? I would argue that they should not be exempt. They should contribute to our national economic recovery like everybody else.

There are some £210 billion-worth of outstanding PFI capital assets in this country at the moment. A McKinsey study last year suggested that for the NHS alone, a reduction in interest charges of just two or three one hundredths of 1% could save £200 million. Anyone who thinks two or three hundredths of 1% is a lot should bear in mind that since July 2007, the base rate has fallen a full 5.25%.

"Are these not commercial contracts?", it might be asked. Of course they are, and I am not for one moment suggesting that those contracts should be torn up. But the Government do not lack influence in this area. They have many points of contact with the different consortiums. For example, Semperian alone has stakes in 106 different PFI or public-private partnership projects, while Sodexo has stakes in 11 of them.

Moreover, many of the investors in these organisations are themselves public authorities. The largest investor in Semperian, with an equity stake of more than 25%, is Transport for London. It and other public bodies may themselves wish to support fairer treatment of PFI hospitals, rather than make huge sums at a time of national austerity.

Finally, some PFI providers are looking to expand abroad in search of future growth. They will not wish to be faced with criticism at home about the high cost of their services, while they seek new markets overseas. So I would call on the Government to use all these levers to encourage PFI providers to rebate some of their gains to the taxpayer. There is a direct precedent for this in the voluntary code that was introduced a few years to encourage PFI providers to share refinancing windfalls with the taxpayer.

I will close on a more positive note. The use of assets in many PFI hospitals remains far below international best practice. But over the longer term, there is clear scope to open up current deals, to relax some of the restrictions, to make better use of hospital assets and to remit more value to the public purse. The contractors will get what they are owed, but the taxpayer could benefit still more. That, I suggest, should be the thrust of Government policy in this area, and I greatly look forward to hearing what the Minister has to say on this issue. I would, of course, be happy to work with him to win a fairer deal for the taxpayers of Herefordshire and elsewhere if the need arises.

10.32 pm

The Minister of State, Department of Health (Mr Simon Burns): I begin by congratulating my hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman) on securing his first Adjournment debate—on the effect of NHS PFI costs on hospital car parking charges in Hereford.

Let me provide a little background on the trust before discussing my hon. Friend's specific points about car parking. As he will know, Hereford Hospitals NHS Trust is the main provider of acute services across Herefordshire and for parts of Wales. The trust offers a wide range of services, including a dedicated cancer unit, which forms part of the three counties cancer network. I understand that funding has now been secured in partnership with Macmillan Cancer Support to develop a new cancer unit.

The most recent Care Quality Commission outpatient survey, released in April this year, showed that 19 out of 20 patients—95%—attending the Hereford hospital outpatient department rated the care they received as either "good", "very good" or "excellent". It also found that 89% of those asked stated that they were treated with dignity and respect at all times. This is very much to the hospital's credit, and I pay tribute to the hard-working staff at Hereford hospital. It is through their dedication and expertise that my hon. Friend's constituents benefit from such a high quality of care.

My hon. Friend has raised the important issue of parking costs at Hereford hospital. The quality of care inside the hospital is excellent. However, the service provided outside the hospital presents a real and pressing concern for patients, visitors and members of staff.

The Hereford county hospital development was, as my hon. Friend mentioned, part of the previous Government's first wave of private finance initiatives. The County hospital PFI contract lasts for 30 years, from 2002 until 2032. In some respects, the Hereford contract differs from later PFIs, which utilised a standard form developed following the experience of earlier agreements.

In 2005, car parking charges for the period 2006-15 were agreed between the trust and Mercia Healthcare and incorporated in the main PFI contract through a legally binding variation, as my hon. Friend mentioned. Although Mercia owns the car parks, CP Plus operates them on a day-to-day basis via a subcontract with Sodexo, which runs all food and facilities management services on the site. I am told, unfortunately, that the cost to the trust of buying back the car parking element of the contract to 2032 has been calculated at some £7 million, a sum that my hon. Friend will agree is deemed prohibitive by the Hereford Hospitals NHS Trust.

The contract also switched car parking charges from pay and display to pay on exit. That change was introduced to discourage people using the hospital car park when shopping in Hereford city centre, cutting the number of spaces available for patients and visitors to the hospital. The hospital offers concessionary parking for different types of user. For example, a range of discounts is available to those who use the car park frequently, to the disabled and to a wide range of people on benefits or low incomes. In addition, when the length of stay exceeds certain local waiting targets, the cost of parking

is reduced to the target wait. For example, if initial treatment is not given within four hours at accident and emergency, the cost of parking is reduced so that a patient pays only for four hours. Also, parents of children staying overnight in the hospital have their parking costs discounted to the two-hour rate of £3.

However, there is a real issue about people not knowing that those concessions exist. Although they are clearly displayed on the trust's website, the internet, as my hon. Friend will probably appreciate, is not usually the first place to look for information when one drives into a car park. The clear and prominent display of the discounts and concessions available is a common complaint of patient groups throughout the country and one with which I have a considerable sympathy. I am told that the current car parking charges are in fact a little lower than those originally agreed with Mercia and reflect the trust board's decision to subsidise the tariff by 50p an hour over the past two years. The annual cost of that subsidy is £88,502.

The strategic health authority has informed me that the trust board has taken a number of measures to ensure that car parking charges are reasonable. It has committed to reducing progressively the costs of on-site parking for patients and, eventually, to eliminating those costs all together. To pay for the reduction, charges for visitors and other users will be increased in line with the existing 10-year tariff plan. The trust is also investigating alternative transport initiatives to encourage staff and patients to use public transport.

The strategic health authority informs me that Hereford Hospitals NHS Trust is reviewing its car park policy. The aim is to develop proposals for charges and concessions for patients' parking at the hospital, covering the hourly rates charged to patients and the availability of revenue to develop alternative arrangements. The review will also consider the range and appropriateness of current concessions. The trust hopes to complete its review of car parking charges by the end of this month, and the next increase to car parking charges, now due, is on hold pending the outcome of it. I also understand that the trust has already agreed a package of measures to improve car parking arrangements for patients receiving chemotherapy. These include the allocation of further free car parking spaces and better advertising of concessions.

Individual patients and advocate groups such as Macmillan Cancer Support and the Patients Association regularly raise the issue of car parking charges. Macmillan has highlighted how a lack of awareness among users and the poor promotion of concessions by some trusts lead to low take-up among long-term patients. We are giving those concerns serious thought. The Department of Health recently conducted a consultation on car parking charges, and I can assure my hon. Friend that we aim to publish a response to that consultation in September.

Unfortunately, though, whatever one's views might be on the subject of NHS car parking charges, given the dire state of the public finances it is simply not possible to abolish them. Within a very difficult economic climate, this Government are committed to delivering health care outcomes that are among the best in the world. As part of this, power is being devolved to the front line like never before. As my hon. Friend will appreciate, when we came into government in May we inherited a deficit of £155 billion. Some tough decisions are having to be taken because my right hon. Friend the Chancellor of the Exchequer rightly makes it a priority to reduce the huge debt that we inherited, which is causing so many problems for our general economic well-being.

I am sure that my hon. Friend will appreciate that, as I said, it is simply not possible to abolish car parking fees at the moment, because the ethos of our policy towards better provision of health care, as outlined by my right hon. Friend the Secretary of State for Health in his White Paper last week, is that we believe that it is crucial to put patients at the forefront and the centre of health care. We must have bottom-up provision of health care that meets local needs to improve services and ensures the finest quality health care that the health service can provide in such a way that we do not have politicians and bureaucrats dictating a top-down approach.

Gavin Williamson (South Staffordshire) (Con): Does my hon. Friend agree that many of the problems that we face in Hereford and in many other towns across the country are down to poorly negotiated private finance initiatives agreed by the last Labour Government?

Mr Burns: I am grateful to my hon. Friend for making that cogent and powerful point. As we have all found out since we came into office, the economy was left in a dire state, and we are now having to pick up the pieces, as we did in 1979, to sort out the mess that the previous Government left us. That is the challenge that we are facing, and that is why we are having to take some tough decisions for the general better welfare of the economy as a whole and the people of this country, as tends to be traditional when we come to power after a Labour Government.

Where car parking charges make it difficult for staff to do their jobs properly, where they damage patients' access to services, or where they prevent family and friends from visiting, hospital trusts have a responsibility to look again at their charges and policies. As my hon. Friend knows, a review is currently under way at Hereford hospital. I trust that he and all his constituents who are concerned about the level of car parking charges at the hospital are contributing to that review and ensuring that their views and concerns are known as regards the impact that those charges may be having on them. I also believe that it is crucial, not only in Hereford but throughout the country, that greater publicity and prominence be given to the fact that some people may qualify for a reduction in car parking charges due to their individual circumstances. That must be drawn to the attention of the client group that might benefit, because one suspects that too often, there is too little publicity and awareness of those discounts, which would provide genuine help to those who find car parking charges genuinely onerous to pay for.

James Wharton (Stockton South) (Con): I should just like to have it recorded in *Hansard* as a point of important note that while we are talking about the people who are the most disadvantaged by the charges that are so often levied in hospital car parks, not a single Opposition Member is here to hear the debate. I hope my hon. Friend agrees that that is an important point that should be recorded and registered.

Mr Burns: I congratulate my hon. Friend, who has certainly succeeded in achieving what he intended. No doubt tomorrow, when *Hansard* is published, his cogent

[Mr Simon Burns]

point will be marked. The only disappointment is that as there are no Opposition Members here, they will not be aware of his intervention, but I am sure he will use his skills to ensure that his point is given a wider audience.

Matthew Hancock (West Suffolk) (Con): Before my hon. Friend concludes, will he address the point about renegotiating the PFI? Will he take up the offer of my hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman) and try to squeeze some more value out of the PFI, and to help? He has made an eloquent case about how tight the money is.

Mr Burns: I thank my hon. Friend for that extremely helpful intervention. I am grateful for his kind offer for me to try to intervene and use my good offices to facilitate a renegotiation. It is late at night, but I do not want to be churlish and I do not want to upset my hon. Friend. However, gone are the days when politicians and bureaucrats sitting in Whitehall interfere and micro-manage local health services. The Government's vision, new policy and ethos is for a localised health service, responding to local needs, not hamstrung by interfering Ministers, including—I know that my hon. Friend will find that difficult to believe—me. I must therefore say that it is a local matter, which would have to be taken up and sorted out locally, though, from my extensive knowledge of the position, I would not, were I a betting man, put a considerable amount of money on the suggested course of action being adopted.

Having said that, during a review of car parking at the hospital, it is important that all those with an interest or a concern about the charges play a full part. Ultimately, as I hope that my hon. Friend the Member for West Suffolk (Matthew Hancock) will appreciate, it is for the NHS trust to manage its car parking to suit best the needs of its patients, the visitors and staff.

However, I hope that, given the campaign of my hon. Friend the Member for Hereford and South Herefordshire and my hon. Friends in the surrounding constituencies, who have played their part not only in recent months but for a considerable time in representing their constituents and trying to get a good deal for them, they will continue to open dialogue with the local trust and do all they can to pursue the matter and ensure that they get a better and fairer deal, which is mutually satisfactory to the trust, the PFI and my hon. Friend's constituents.

Question put and agreed to.

10.50 pm

House adjourned.

House of Commons

Tuesday 27 July 2010

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Regional and Local Representatives

1. **Mr Gordon Marsden** (Blackpool South) (Lab): What discussions he has had with ministerial colleagues involving elected representatives at regional and local level in decision making by Government Departments. [11073]

The Deputy Prime Minister (Mr Nick Clegg): The Government are committed to not just promising localism, but practising it. I and other Ministers have regular meetings with local authority colleagues, across a range of issues and at regular intervals, about the decisions that we are thinking of making. That is what greater transparency and devolution are all about.

Mr Marsden: The Deputy Prime Minister talks a good talk about devolution and localism, but that is about all he does. In fact, he and the Business Secretary acquiesced in the abolition of the regional development agencies. I have here a letter from him in which he acquiesced in the abolition of Government offices—one of the few areas in which local representatives can have an input.

Will the Deputy Prime Minister now give an undertaking to the House that he will intervene on his colleagues in the Government to make sure that the new regional growth fund decisions have a proper input from elected councils and local authorities, rather than—

Mr Speaker: Order. We have got the gist of it. Questions and answers must be brief.

The Deputy Prime Minister: I am interested that the hon. Gentleman should think that the abolition of the regional development agencies and Government offices is somehow a blow against localism. Our view is that the Government offices had become a representation of Whitehall in the regions, rather than a voice for the regions in Whitehall. Equally, some RDAs do a good job, but he knows as well as I do that many local communities do not identify with regional development agencies. That is why we were right to say that it was up to local communities to come together with the private sector and others to create local enterprise partnerships, which are genuinely representative of what local communities want.

Sir Alan Beith (Berwick-upon-Tweed) (LD): Does my right hon. Friend recognise that the abolition of outposts of central Government in the regions is good news so long as the decisions that they previously took devolve locally and do not drift to the centre? Does he also recognise the importance that business in the north-east attaches to the creation of a new enterprise partnership that is able to do some of the things that the regional development agency used to do?

The Deputy Prime Minister: Yes, of course I recognise that it is very important that the manner in which the local enterprise partnerships are now established—not least in the north-east, which has a strong regional identity—should be shaped around the needs of the communities involved. We look forward to receiving proposals from the north-east for the local enterprise partnerships in the north-east.

May I just say that localism is not just about bureaucratic structures? It is about giving local authorities greater control over our health service and people a say over how policing is conducted in our local communities. It is about looking long term at how local authorities can have a greater say over money as well. That is real localism, not bureaucratic localism.

Boundary Changes

2. **Chi Onwurah** (Newcastle upon Tyne Central) (Lab): What assessment he has made of the effects on constituency cohesion of parliamentary constituency boundaries which do not follow existing administrative boundaries. [11074]

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): The Government believe that constituencies should be of more equal size, and that should be more important than administrative convenience for Members of Parliament. In any case, many constituencies cross local authority boundaries at the moment. For example, 19 of the 32 London borough boundaries are crossed by constituencies today.

Chi Onwurah: Will the Minister or the Deputy Prime Minister explain to me their definition of the localism that means that local people in Newcastle will have no say locally in the boundaries imposed on them because there will be no opportunity for a local public inquiry?

Mr Harper: Clearly, the hon. Lady has not read the Parliamentary Voting System and Constituencies Bill, which we published last week. We are actually extending the consultation period for local people from one month to three months, to give local people, local organisations and political parties more opportunity to comment on the boundary commission proposals, not less.

Jacob Rees-Mogg (North East Somerset) (Con): In considering this matter, will the Minister bear in mind the fact that people have historic loyalties to the traditional counties of England, not to administrative regions? In

particular, will the people of Somerset be allowed their historic county, not some monstrous, vague, administrative nonsense?

Mr Harper: If he has looked at the Bill, my hon. Friend will know that the boundary commissions are able to take into account local ties, but only to the extent that we can still have equal-sized constituencies. They are able to look at those things, but we think that the principle of equal-sized seats is most important and should take priority.

Mr Jack Straw (Blackburn) (Lab): Will the Minister confirm that under the Bill, local boundaries, including county boundaries, can be completely ignored and that the only boundaries required to be observed are the national boundaries? Will he also confirm that under the Bill the Boundary Commission will be required, by law, to begin the process of redrawing the boundaries for the whole of the United Kingdom in the Isle of Wight—to transfer 35,000 voters in that constituency across the Solent into Hampshire, and then to work up the United Kingdom in an equally arbitrary way, with no public inquiries?

I heard the Minister's waffle about extra consultation, but that is no substitute whatever for independent public inquiries, which the Government are abolishing because they are scared of the results. How does what is in the Bill fit with any idea of the practice of localism and greater transparency that the Deputy Prime Minister has just promised?

Mr Harper: There were so many questions in there that it is not clear which one to answer. First, we are not proposing to move anybody who currently lives on the Isle of Wight; I think that they will continue to live where they are. The right hon. Gentleman is talking nonsense. We do not lay down a prescriptive method for the boundary commissions to draw the boundaries; they are independent, and they will continue to draw the boundaries. Frankly, the hyperbole that he has come out with today and in his reasoned amendment to the Bill bears no relation to the proposals that we published last week.

Mr Straw *rose—*

Mr Speaker: Order. Let me say to the right hon. Gentleman that the second question needs to be shorter.

Mr Straw: The Minister has obviously not read his own Bill. If community cohesion is good enough for separate seats on the outer isles of Scotland and for the invention of an entirely artificial rule to protect the seat of a former leader of the Liberal Democrats, why is it not good enough for the rest of the United Kingdom?

Mr Harper: The right hon. Gentleman knows that there are two exceptions, which are the two Scottish seats that have unique geography. There is not an exception for the seat of the former leader of the Liberal Democrats; it is simply a rule to prevent the Boundary Commission from drawing an extraordinarily large seat, and his boundaries are able to be redrawn in the same way as anybody's else's. All this bluster simply highlights the fact that Labour Members do not believe in seats of equal size and votes counting equally across the whole of the United Kingdom.

Voter Registration

3. **Mr David Amess** (Southend West) (Con): What assessment he has made of the effectiveness of the system of voter registration in Great Britain. [11075]

The Deputy Prime Minister (Mr Nick Clegg): The Electoral Commission reports that the completeness of Great Britain's electoral registers remains broadly similar to the levels achieved in comparative countries. The Government want to improve the accuracy of the register by speeding up the introduction of individual electoral registration in Great Britain. We are also considering giving electoral registration officers the capacity to compare the data on their electoral registers with other, readily available, public data to identify individuals who may not be registered.

Mr Amess: Over the past 13 years, there was much talk by the last rotten Labour Government about sorting out the shambles of electoral registration. What plans do the new Government have to speed up the process of introducing individual registration?

The Deputy Prime Minister: I agree with my hon. Friend that far too little progress was made by the previous Government in dealing with this issue. We will accelerate the process of individual electoral registration, and we will make announcements about that shortly. Our whole approach to this is governed by two principles: first, to bear down on fraud in the system, of which individual electoral registration is a key component; and secondly, further to improve the completeness of the register itself. If Members in all parts of the House have particular ideas about how the annual canvass can be improved, the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean (Mr Harper), who is responsible for constitutional reform, will be keen to hear their views. That is why we are having the pilot scheme this autumn to allow electoral registration officers to compare the register with other databases, go to the homes of people who are not on the electoral register and ensure that they get on to the electoral register.

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): Perhaps the Deputy Prime Minister would turn his mind to the reality of what is about to happen with the boundary changes that we have been discussing. Is it not a fact that this is a straight gerrymander, and that if he meant what he said, he would delay the boundary changes until there was a full 100% compulsory register based on the reality of where people actually live so that we do not end up with the distortion of taking away seats in inner-city areas?

The Deputy Prime Minister: The right hon. Gentleman talks about straight facts; here are some straight facts. Last December, Islington North's electorate was 66,472. Just 10 miles away, East Ham's electorate was 87,809. It cannot be right to have constituencies in which the worth of people's votes is so very different from place to place. Fairness is a simple principle that should operate

in our democracy. He should also be aware that 218 of the existing constituencies are already within 5% either side of the 76,000 threshold that will operate when the boundary review is conducted. In other words, more than a third of Members here are already in line with the new rules. What on earth is wrong with fairer votes across the whole of the country?

Peter Bottomley (Worthing West) (Con): Would it be possible to go to those who have great details, such as credit agencies and mobile phone operators, and within data protection law use their private information to help to ensure that the canvass is complete?

The Deputy Prime Minister: We certainly want to see what we can do in the pilot schemes that will start this autumn to compare the electoral register database with other readily available databases, public and private, obviously entirely in keeping with data protection rules. The sole objective will be to allow electoral registration officers to go to people's homes and say, "We've seen by comparing these databases that you're not on the electoral register. That's why we would like you to come on to the electoral register." Let us remember that Opposition Members, who are making a great deal of noise about this now, did nothing to improve the electoral register for 13 years.

AV Referendum (Scotland)

4. **Jim McGovern** (Dundee West) (Lab): What recent discussions he has had with the Scottish Executive on preparations for the proposed referendum on the alternative vote system. [11077]

The Deputy Prime Minister (Mr Nick Clegg): It was right and important that Parliament was the first to know about proposals for a referendum on the alternative vote. The Bill will be debated in Parliament, and we will listen also to views from all the devolved Administrations. I have written to the First Minister in Edinburgh to explain the reasons behind our proposed timetable for the referendum.

Jim McGovern: The Deputy Prime Minister must understand the level of anger in Scotland on this issue, and the fact that there was no consultation with the Scottish Parliament before the decision was made has increased that anger. Did he ever consult the Scottish Parliament before making it, and will he now discuss it with it?

The Deputy Prime Minister: As I said, I thought it right that this Parliament was the first to know about such a major issue. I simply do not understand why it is considered in any way a detraction from the Holyrood elections next May in Scotland that, at the same time, people across the United Kingdom should be asked to reply to a simple yes/no question on whether they want the alternative vote. It is disrespectful to the voters and people of Scotland to suggest that somehow they are incapable of making two decisions at once.

Mr Edward Leigh (Gainsborough) (Con): Notwithstanding the fact that my new and best right hon. Friend would, I am sure, now deprecate the fact that if we had had the alternative vote in 1997 the Conservative party would have been reduced to a pathetic rump of 65 MPs, does he not think that precisely because AV is not proportional, it raises complicated questions? It is extraordinarily dangerous, therefore, to have the referendum on the same day as other elections, namely the Scottish elections. We need a proper debate on the issue.

The Deputy Prime Minister: About 84% of voters in England will be voting, or eligible to vote, next May. In Scotland and Wales everybody will be entitled to vote. About 39 million people will be invited to vote next May, and it seems to me that instead of asking people constantly to go back to polling booths to cast separate votes, it is perfectly right to invite them to have their say on a simple yes/no issue on the same day, at, by the way, a lower cost to the Exchequer—it will save about £17 million.

Topical Questions

T1. [11082] **Charlie Elphicke** (Dover) (Con): If he will make a statement on his Ministerial responsibilities.

The Deputy Prime Minister (Mr Nick Clegg): As Deputy Prime Minister, I support the Prime Minister in the full range of Government policy and initiatives. Within Government I take direct responsibility for this Government's programme of political and constitutional reform.

Charlie Elphicke: May I ask the Deputy Prime Minister about his responsibilities as regards the great repeal Bill, and whether it may be brought forward in the next Session?

The Deputy Prime Minister: As my hon. Friend may know, our priority in the autumn is the freedom Bill, and that will be the principal legislative vehicle to repeal and pare back many of the incursions that have occurred into our privacy, civil liberties and great tradition of freedom, which were so roundly abused by the previous Government.

Mr Jack Straw (Blackburn) (Lab): On the assumption that the Prime Minister and the Deputy Prime Minister are not holidaying together in Montana, will the Deputy Prime Minister say if and when he will be in charge of the country when the Prime Minister is away on holiday?

The Deputy Prime Minister: As already announced by my right hon. Friend the Leader of the House, the Prime Minister will take his vacation in the second half of August. He will remain Prime Minister and in overall charge of the Government, of course, but I will of course be available to hold the fort.

T2. [11083] **Paul Uppal** (Wolverhampton South West) (Con): What measures is the Deputy Prime Minister taking to tackle postal voting fraud, which particularly affected me during the last general election?

The Deputy Prime Minister: As I said earlier— *[Interruption.]*

Mr Speaker: Order. Witticisms aside, I want to hear the reply of the Deputy Prime Minister.

The Deputy Prime Minister: In 2006, new measures were introduced by the previous Government—measures that the Liberal Democrats supported—to improve the personal identifiers required in the administration of postal votes. We want to build on that work and are reflecting further on the matter. We welcome views from either side of the House on how we can further strengthen measures to deal with fraud. As I said earlier, one of the fundamental principles that guides all our work on such matters is ensuring that everybody who can, and is entitled, to vote is on the register, so that they do vote, and ensuring that fraud is tackled wherever it arises.

T3. [11084] **Jack Dromey** (Birmingham, Erdington) (Lab): On 22 June, the Deputy Prime Minister told the House that the decision not to proceed with the loan to Sheffield Forgemasters was a consequence of the reluctance of the shareholders to dilute their shareholding. Today, a written statement from the Business Secretary clarifies that it was an issue of affordability. The Government have announced a £1 billion regional growth fund. Were the company to make a fresh application, will the Deputy Prime Minister give an undertaking to the House that it will be considered as a matter of priority, and will he support it as a Sheffield Member of Parliament?

The Deputy Prime Minister: In the written statement to which the hon. Gentleman alludes, the Business Secretary concludes:

"We have made clear that we stand ready to work closely with the company as it pursues its ambitions and we are willing to look carefully at all proposals, as we would for any project"

from any other company

"when the future availability of public funds becomes clearer after the completion of the spending review."

The hon. Gentleman will know that the issue was the lack of affordability in this year's current Budget, because we discovered when we came into government that the previous Government had promised £9 billion more than departmental budgets. That was wrong. That is why it was wrong for Government Ministers at the time to write out cheques that they knew would bounce.

T6. [11087] **James Wharton** (Stockton South) (Con): I welcome the Government's plans for fewer and more equal-sized constituencies. However, I notice that we are proposing to reduce the number of MPs only to 600. Was a greater reduction considered, and if so, why was it rejected?

The Deputy Prime Minister: In considering how to reduce the cost of politics and the size of the House, which is far larger than the vast majority of equivalent Chambers in mature democracies around the world, we had to balance two things. As I said, we had to balance reducing the cost—50 fewer MPs means a saving of about £12 million per year—against the ability of hon. Members on both sides of the House to serve their constituencies and constituents. That is why we arrived at the cut of around 7.6% in the total number, to 600 MPs.

Clive Efford (Eltham) (Lab): In his statement on 5 July, the Deputy Prime Minister said he wanted to empower local people, but the Parliamentary Voting System and Constituencies Bill specifically excludes the right of the Boundary Commission to hold local public inquiries. How is that empowering local people to have understandable, local boundaries that respect acknowledged local communities?

The Deputy Prime Minister: As the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean (Mr Harper), said earlier, we are extending the period of consultation on proposals for the independent boundary commissions from one month to three—*[Interruption.]* I hear a lot of chuntering from Opposition Members, but I ask them again to consider this question: what is wrong with trying to create greater fairness and equality in the conduct of our democracy? They seem to think that the measure is somehow targeted at them, but I remind them that the problem of gaps in the electoral register occurs not just in inner-city areas, but in coastal constituencies, where there is a pattern of under-registration, and in constituencies—

Fiona Mactaggart (Slough) (Lab): What are you doing about it?

The Deputy Prime Minister: The hon. Lady screams from a sedentary position to ask what we are doing about it, but what did she do about it for 13 years?

T7. [11088] **Mr David Evennett** (Bexleyheath and Crayford) (Con): Does my right hon. Friend have any plans if the referendum on AV is successful and the voting system is changed for parliamentary elections to reform the voting system for local government elections?

The Deputy Prime Minister: There is of course a legitimate debate to be held about the voting systems for local government, but we have already embarked on a fairly rich menu of political and constitutional reforms, and we have no plans at present to make changes to the electoral arrangements for local government.

T5. [11086] **Hugh Bayley** (York Central) (Lab): What is the coalition Government's policy on the legality of the UK invasion of Iraq?

The Deputy Prime Minister: I am happy to confirm that what I said last week at Prime Minister's questions about the legality of the war was a personal opinion—*[Interruption.]* Labour Members may laugh, but I welcome the fact that they are asking questions about that disastrous decision now. It would have been handy if they had asked those questions when it was first taken.

T8. [11089] **John Stevenson** (Carlisle) (Con): The coalition Government are committed to equal-sized constituencies for Westminster elections. In my constituency, we have discrepancies in local government wards of nearly 20%. Does the Deputy Prime Minister support the principle of equal-sized wards for local elections, and what action will he take to ensure that that happens?

The Deputy Prime Minister: As I said in an earlier reply, there are of course legitimate questions about how elections are conducted for local councils. It is not

something that we have plans at present to embark on, simply because we have a heavy agenda of constitutional and political reforms that we are seeking to progress. Therefore at present we do not have plans to revisit the issue that my hon. Friend raises.

T9. [11090] **Dr Alan Whitehead** (Southampton, Test) (Lab): The Deputy Prime Minister has announced that the consultations for the new constituency boundaries will be minimal and not involve communities. How does he reconcile that minimal consultation with the Prime Minister's pronouncements about the big society, community engagement and power passing from the centre to communities, giving them the right to make representations about how they are represented?

The Deputy Prime Minister: It seems to me that extending the period during which representations can be made from one month to three months is not minimising people's ability to make their views known: it is doing exactly the reverse.

Jo Swinson (East Dunbartonshire) (LD): A vital part of rebuilding trust in our political system is giving constituents the power to call a by-election if their MP has been found guilty of wrongdoing. I am delighted that the right of recall is in the coalition agreement, but can my right hon. Friend tell us when he will bring forward legislation to implement this?

The Deputy Prime Minister: My hon. Friend is right. By the time the election was called, I think that all parties had a manifesto commitment to introduce a power of recall, whereby if it were proved that a Member of Parliament was guilty of serious wrongdoing, his or her constituents would not have to wait until the next general election to cast judgment on the fitness of that individual to continue to represent them, but would be able to trigger a process of recall by a petition from 10% of constituents. We intend to bring forward that proposal in legislation next year, and I hope that it will enjoy cross-party support.

Ian Paisley (North Antrim) (DUP): My constituent Karen Taylor received a letter from the Deputy Prime Minister on 21 June saying that we can cut public spending in a way that is fair and responsible and asking her to provide ideas about getting more for less, not to hold back, to be innovative, radical and challenge the ways things are done. I know that my constituent has replied to you, indicating that she wants you to invest more in public services, to pull the economy out of recession and stop the use of consultants. How do you intend to reply?

Mr Speaker: Order. I do not intend to reply at all, but I hope that the Deputy Prime Minister does.

The Deputy Prime Minister: I certainly agree with the last suggestion—that there was a bonanza of consultants in the programmes conducted by the last Government. One consultant was even made a millionaire from the fees alone in the Building Schools for the Future programme. So of course we need fewer consultants. As the hon. Gentleman knows, we have entered government having to deal with a very difficult situation. The last Government announced £50 billion of cuts, but had not bothered to tell people what they meant in practice, so we are having to do the work for them. The structural deficit is £12 billion higher than we were told by the previous Government. These are difficult decisions. However, I hope the hon. Gentleman will agree that what we have said in the Budget on increasing the allowance—the point at which people start paying income tax—on this extra, including up to £2 billion over the coming years in child tax credits, on the guarantee that pensions will be increased by 2.5% above inflation—

Mr Speaker: Order. This sounds like a suitable subject for an Adjournment debate.

T10. [11091] **Mr James Gray** (North Wiltshire) (Con): Just this morning, the Deputy Prime Minister sent us all a very helpful letter about the forthcoming Bill on the alternative vote system and so on. In it, he wrote:

"The Government also believes it is important to give people a choice over their electoral system."

Given that, why will the forthcoming referendum offer only a choice between first past the post and AV, which he himself described as a pathetic excuse for a voting system? Why will it not also offer the single transferable vote?

The Deputy Prime Minister: Let me remind my hon. Friend that, during the general election, there was a party, the Labour party, that wanted to press ahead with the alternative vote and another party, the Liberal Democrats, that believed in a more proportional voting system. As is the nature of a coalition agreement, we reached a compromise—*[Interruption.]* Opposition Members talk about pluralism and choice in politics, but only if it is on the basis of things that they want, not what anybody else wants.

Anas Sarwar (Glasgow Central) (Lab): One hundred and fifty Labour MPs voted against the Iraq war. How many of the Deputy Prime Minister's new bedfellows did?

The Deputy Prime Minister: I am not a walking encyclopaedia of how people voted, but of course I pay tribute to the small number of Labour MPs who did stick to their consciences and asked difficult questions. However, what I find astonishing is that now Labour Members seem to be exercised about the matter despite having not raised the alarm when they should have done—when the decision was taken in the first place.

ATTORNEY-GENERAL

The Attorney-General was asked—

Defendant Anonymity

1. **Barbara Keeley** (Worsley and Eccles South) (Lab): What recent representations he has received on the effect of introducing anonymity for defendants in rape cases on rates of prosecution by the Crown Prosecution Service in such cases. [11102]

2. **Geraint Davies** (Swansea West) (Lab/Co-op): What recent representations he has received on the effect of introducing anonymity for defendants in rape cases on rates of prosecution by the Crown Prosecution Service in such cases. [11105]

7. **Luciana Berger** (Liverpool, Wavertree) (Lab/Co-op): What recent representations he has received on the effect of introducing anonymity for defendants in rape cases on rates of prosecution by the Crown Prosecution Service in such cases. [11110]

The Solicitor-General (Mr Edward Garnier): The direct answer is none. The responsibility for the policy lies with the Secretary of State for Justice.

Barbara Keeley: There is a serious concern that if we introduce anonymity for defendants in rape cases, other witnesses will not then come forward and rates of prosecution will drop. Hon. Members understood that the Government were to compile all available research and statistics, and report to the House before the summer. However, reports in the media say that that will not now happen. Will the hon. and learned Gentleman urge the Ministry of Justice to commission research into the impact on victims of rape and their likelihood of reporting the crime if anonymity is granted to defendants?

The Solicitor-General: The research is ongoing and will be published in the autumn, but I can assure the hon. Lady that the Ministry of Justice has the matter well in hand.

Geraint Davies: I have received many representations, including from Swansea student union and women's groups in Swansea. Will the hon. and learned Gentleman now confirm once and for all, given the rumours, that he intends to drop plans to stop police giving out the names of those accused of rape whom the police believe are serial rapists?

The Solicitor-General: I am not sure of any such proposals, but if the hon. Gentleman has information that would help me to reach a proper conclusion, or if he wishes to refer the matter to the Ministry of Justice, which has the policy lead on this issue, or the Home Office, given that it has responsibility for the police, I am sure his representations would be gratefully received.

Luciana Berger: I am very disappointed to hear that the research is now not going to be out until the autumn. An answer from a Justice Minister, on 17 June, said that it would be published before the summer recess. Will the research alluded to be original research into the incidence of malicious false accusations of rape, or will it be a survey of existing evidence?

The Solicitor-General: The research will be research, and no doubt we will look into the matter as a whole. I am sorry to disappoint the hon. Lady—this must be very annoying for her—but she really needs to address her questions to the Ministry of Justice, which is the lead Ministry dealing with the issue.

Violence against Women

3. **Mr David Hanson** (Delyn) (Lab): What the outcomes were of the Crown Prosecution Service's review of its violence against women strategy. [11106]

The Attorney-General (Mr Dominic Grieve): The Crown Prosecution Service's violence against women strategy, 2008 to 2011, was published in June 2008. No review has been carried out to date. Quarterly assurance is provided by the voluntary sector, and annual reports are published. The assessment of the benefits of the strategy on violence against women prosecutions will be made in 2011.

Mr Hanson: I am grateful for that reply. Does the Minister accept that the concerted effort of the previous Labour Government led to a 64% reduction in the incidence of domestic violence according to the British crime survey? Will he therefore ensure that potential cuts of 25% in CPS funding and his Department will not lead to a lesser focus on domestic violence issues, which are important not just to women, but to the whole community?

The Attorney-General: I have no reason to disagree in any way with what the right hon. Gentleman has said. He is right that, for example, successful prosecutions from charge to conviction have significantly increased, from 65% in 2006-07 to 72% in 2009-10, against an increasing volume of such prosecutions. The number of discontinued cases has fallen, from 26% in 2006-07 to 21% in 2009-10. Similar statistics apply to rape cases. Although there will clearly be financial constraints on all Departments, let me reassure him that it is certainly my intention and that of the Director of Public Prosecutions to ensure that the CPS can maintain its record of momentum and good progress in this area.

Fiona Mactaggart (Slough) (Lab): Is not one reason for the progress in successfully prosecuting domestic violence and rape cases that the right hon. and learned Gentleman has reported the existence of independent domestic violence advocates and independent sexual violence advocates? Will he give the House a commitment that he will continue to resource such a programme—a programme that is helping women bring their attackers to justice—or persuade his colleagues who are budget holders to do so?

The Attorney-General: Yes, there are currently 141 specialist domestic violence courts, and in these courts there is the assistance of independent domestic violence advisers, as the hon. Lady says. Indeed, as she and I both know, in Slough there is an excellent voluntary service helping those who have been the victims of domestic violence. I will do all that I can to reassure her that there is no intention of allowing that excellence to be diminished. Clearly, I accept that in times of financial constraints we will look across the board at everything. However, as matters stand at the moment, it is the intention of the Crown Prosecution Service, as well as my intention as the Attorney-General, to ensure that the progress that has been made in this area is maintained.

Maria Eagle (Garston and Halewood) (Lab): I welcome the right hon. and learned Gentleman's comments about his continuing focus on the issue. However, now that he

has given up his role of co-ordinating the policy response to domestic violence across the criminal justice system as a whole, and in view of the CPS submission to the Treasury—we have all read it on *The Guardian* website: it says that delivering only key priorities will be affordable in future—will he confirm today, in terms, that tackling domestic violence will indeed be one of those key priorities for the CPS and him?

The Attorney-General: Yes, I am happy to confirm that tackling domestic violence will remain a key priority. However, going back to the point that I made last time I answered questions about the role of the Attorney-General and the office, perhaps I could explain that the decision to cease taking a lead in this area is reflective of the size of the Law Officers' office and their ability to drive such an agenda. There is a trilateral partnership, as the hon. Lady is aware. The role of the Law Officers is to be heavily involved in that tripartite relationship, providing policy advice and helping to drive agendas. However, it is right and proper that driving the agenda in question should lie with another Department, because those other Departments are specifically resourced to introduce the necessary legislation.

Serious Fraud Office

5. **Hugh Bayley** (York Central) (Lab): What assessment he has made of the resource implications for the Serious Fraud Office of the implementation of the Bribery Act 2010. [11108]

The Attorney-General (Mr Dominic Grieve): An impact assessment was prepared for the Bribery Bill when it was introduced into Parliament in November 2009, and the Serious Fraud Office contributed to it. The impact assessment estimated that the new offence of failure by a commercial organisation to prevent bribery would result in one additional contested criminal prosecution per year of a commercial organisation by the Serious Fraud Office. The overall cost to the SFO was estimated at £2 million a year. As regards the implementation of the Bribery Act, funding for the SFO from April 2011—which is when the Act is expected to come into force—will, as with all other Government Departments, be settled in the current spending review. The SFO expects to be able to carry out all its normal functions, including Bribery Act investigations and prosecutions, within that funding settlement.

Hugh Bayley: Our international obligations under United Nations and OECD conventions require us not only to have an effective law to prohibit transnational bribery but to enforce that law. Given that the cost of enforcing the new Bribery Act is about £2 million a year, will the Serious Fraud Office have that amount of money set aside to fulfil its obligations under the Act from April next year?

The Attorney-General: As I indicated a moment ago, the view of the Serious Fraud Office is that, on the basis of its submissions, it will have the necessary resources—including that £2 million—to do what is necessary in this area. It is worth remembering that the policy, which was commenced by the previous Government, was designed to limit the number of contested cases. For example, section 7 of the Act, which covers the failure by commercial organisations to prevent bribery, is intended to encourage commercial organisations to self-refer and co-operate. This is one of the reasons why it is hoped and expected that, in many cases, expenditure on major trial processes will not be necessary. The £2 million that has been identified is the Serious Fraud Office's best assessment of what will be needed to take this policy forward.

Chris Bryant (Rhondda) (Lab): May I suggest one other area in which the Serious Fraud Office should do a bit more work? It relates to the suborning of police officers. We have only to read a couple of tabloid newspapers every day to see that newspapers and journalists pay police officers for stories, which constitutes suborning a police officer.

The Attorney-General: By its nature, the Serious Fraud Office is concerned principally with offences of serious fraud. I certainly think that suborning a police officer is an extremely serious offence, but it seems to me to be a matter that is more likely to lie with the Crown Prosecution Service.

People with Disabilities (Victims of Rape)

6. **Kerry McCarthy** (Bristol East) (Lab): What assistance the Crown Prosecution Service gives to people with disabilities who are giving evidence as victims in rape cases. [11109]

The Solicitor-General (Mr Edward Garnier): Giving evidence as a victim in a rape case must be a traumatic experience, no matter whether the person has a disability or not. The Crown Prosecution Service endeavours to ensure that individually tailored support is given to all victims. Victims with disabilities are eligible for a range of special measures to enable them to give their best evidence. In appropriate cases, prosecutors offer to meet victims personally to discuss the need for special measures.

Kerry McCarthy: I am afraid that the Minister's answer reflects the fact that my question has appeared on the Order Paper in a substantially different form from how it went into the Table Office. What I am really concerned about is that people with disabilities, particularly learning disabilities, are disproportionately the victims of rape, yet the prosecution rate in such cases is very low. What more can be done to ensure that, despite any difficulties they might have in giving evidence, their cases are brought to court?

The Solicitor-General: I will endeavour to assist the hon. Lady, irrespective of the way in which her question ended up on the Order Paper. First, I want to congratulate her on her appointment as the shadow Minister for those affected by disability issues. I am sure that she will be an active participant in these debates, and I hope that policy will develop as a consequence—*[Interruption.]* I was endeavouring to be genuinely helpful, Mr Speaker.

The main point that I want to get across to the hon. Lady is that any prosecution depends on evidence, and achieving best evidence from people with disabilities is vital. If she is right in saying that a disproportionate number of people with disabilities are raped and that their cases do not get to trial, we must do all that we can—and I do mean we—to ensure that their evidence is presented to court in a way that juries can consider and, if appropriate, bring in a true verdict of guilty.

Sir Alan Beith (Berwick-upon-Tweed) (LD): Will the Attorney-General keep in mind the recommendation of the Justice Committee that the courts are quite capable of treating people with learning disabilities, and those with mental health problems, as credible witnesses? The Crown Prosecution Service should not be frightened to bring such witnesses before the courts.

The Solicitor-General: I entirely agree with the right hon. Gentleman. As I hope I indicated in my first reply, the Crown Prosecution Service does its very best to ensure that all victims of rape are properly treated and that their evidence is put before the court so that the alleged defendants, or alleged criminals, can be brought to justice. I have absolutely no doubt that the CPS will do its very best. I should add that, having recently attended the Judicial Studies Board course on serious sex offences, I know that the judiciary are acutely aware of the need to deal with the sort of problems that the right hon. Gentleman mentioned.

Caroline Flint (Don Valley) (Lab): Given that one of the vulnerabilities that people with learning disabilities face is that some of those carrying out abuse and rapes in residential settings will move to another care home and might get lost in the system, and given that the Government have announced that they no longer intend to proceed with putting the application for anonymity on a legislative basis, and want to look at non-statutory options, may I urge the Solicitor-General and his right hon. and learned Friend the Attorney-General to ensure that there is wide consultation on any non-statutory option to extend anonymity?

The Solicitor-General: The point is well made and noted.

Rehman Chishti (Gillingham and Rainham) (Con): Certain European jurisdictions have the use of specialist rape courts, which enable best evidence and have increased conviction rates, so would the Attorney-General consider that?

The Solicitor-General: All judges who try serious sexual offences cases are specially trained, as are the prosecutors from the Crown Prosecution Service and the people who assist prior to trials, such as those who work in the sexual assault referral centres and the independent domestic and sexual violence advisers, who were mentioned in an earlier question. My hon. Friend makes a good point, which underlines our earlier discussions.

Domestic Violence

8. **Bridget Phillipson** (Houghton and Sunderland South) (Lab): What assessment he has made of the effects of the appointment of domestic violence specialist Crown prosecutors on the effectiveness of prosecutions for domestic violence offences. [11111]

The Attorney-General (Mr Dominic Grieve): All Crown Prosecution Service prosecutors have been trained in domestic violence cases. Dedicated prosecutors are linked to specialist domestic violence courts and each CPS area has a co-ordinator to deal with violence against women. As I mentioned earlier, successful prosecutions of domestic violence have significantly increased from 65% in 2006-07 to 72% in 2009-10. We believe that these roles have been key contributors to such improvement.

Bridget Phillipson: The introduction under the Labour Government of specialist prosecutors has no doubt been a crucial factor in driving up the success rate of prosecutions in cases of domestic violence. Will he commit the CPS to continue to focus its efforts on prosecuting perpetrators of domestic violence?

The Attorney-General: As I mentioned earlier, the CPS sees the prosecution of domestic violence as one of its key priorities—there are, of course, others, but it is one of them. For that reason, it has no intention of relaxing or giving up on trying to ensure that these cases are properly prosecuted and taken through the courts.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for South West Devon, representing the Speaker's Committee on the Electoral Commission was asked—

Voter Registration

1. **Kevin Brennan** (Cardiff West) (Lab): What recent representations the Electoral Commission has received on the effect of individual voter registration on the accuracy of the electoral register. [11092]

Mr Gary Streeter (South West Devon): The Electoral Commission informs me that since January 2010 it has received representations from two Members of Parliament on the possible effect of individual electoral registrations on the accuracy of the electoral register.

Kevin Brennan: I thank the hon. Gentleman for that answer. Individual voter registration is something that the Electoral Commission has always favoured and has passed through this House on the promise that steps would be taken to ensure that it did not impact on the number of people registered to vote. Has he had any discussions with the Commission about what it is going to do to ensure that individual voter registration, which has now been speeded up by the current Government, will not mean that thousands and thousands of extra people are not registered to vote?

Mr Speaker: Let me say to the hon. Gentleman and others that there are other questioners. Questions need to be a lot shorter and sharper.

Mr Streeter: The Electoral Commission is extremely concerned to maintain the accuracy and completeness of the register, and the hon. Gentleman is right to raise the point. It now awaits the Government's bringing forward of their proposals on speeding up individual electoral registration. It will then, of course, give its advice to Government in the usual way.

Electoral Reform

2. **Helen Goodman** (Bishop Auckland) (Lab): What discussions the Electoral Commission has had with Government Departments on funding levels necessary for it to undertake its functions under the Government's programme of electoral reform. [11093]

Mr Streeter: The Electoral Commission informs me that its chair and chief executive have held discussions with the Deputy Prime Minister on the commission's role in relation to a referendum on changes to the voting system for the United Kingdom Parliament, and on the funds that it will require to perform that role. The commission also informs me that it has not held discussions with the Government about the funding implications of other proposals for electoral reform.

Helen Goodman: If there is one thing more important than tackling the deficit, it is the integrity of our democratic system. The hon. Gentleman has set out part of the ambitious programme of reform with which the Electoral Commission is having to deal. Will he also press the Deputy Prime Minister to ring-fence the commission so that its budget will not be cut at this difficult time?

Mr Streeter: The Electoral Commission expects to have to spend about £9.3 million in connection with the referendum on the alternative voting system. I am sure that the House will approve that amount, and I do not expect any difficulty to be involved in providing the commission with sufficient resources to enable it to do its job properly.

Mr James Gray (North Wiltshire) (Con): During his discussions with the Electoral Commission about the cost of the forthcoming referendum on electoral reform, did the Deputy Prime Minister tell the commission how much the referendum would cost if it were held on 5 May and how much it would cost if it were held on some other date?

Mr Streeter: I am afraid I do not know the precise answer to that question, but no doubt the Deputy Prime Minister will be in touch with my hon. Friend to make the position clear.

Fiona Mactaggart (Slough) (Lab): The extra jobs that the Electoral Commission will have to do in helping with individual registration and so forth will cost money if the system is going to work. Will the hon. Gentleman agree to be the champion of the additional resources that the commission will require, and will he argue for them with his colleagues in Government?

Mr Streeter: I am happy to be considered to be a champion on that issue. I have little doubt that the Electoral Commission, which has an important role to play in overseeing the political processes in this country, will receive sufficient resources to enable it to do its job.

Voter Registration

3. **Mr Philip Hollobone** (Kettering) (Con): What steps the Electoral Commission is taking to include on electoral registers eligible unregistered voters resident (a) in the UK and (b) overseas. [11094]

Mr Streeter: Individual electoral registration officers are responsible for the management of electoral registration. However, the commission undertakes public awareness activities to encourage voter registration. As a result of its campaign before the general election, more than half a million standard and 40,000 overseas voter registration forms were downloaded from its website.

Mr Hollobone: What is the commission's estimate of the number of unregistered voters in the United Kingdom and overseas? Would it not be a good idea if every time an unregistered voter came into contact with a Government Department, the Department asked the voter, "Are you on the electoral roll?"

Mr Streeter: I think it is fairly well known that there are estimated to be about 3.5 million unregistered voters in England and Wales. As several million British people live overseas and only about 15,000 are on our voting register, there is clearly a huge job to be done in relation to overseas voters. I will pass my hon. Friend's interesting suggestion to the powers that be.

Mr Phil Woolas (Oldham East and Saddleworth) (Lab): One of the main reasons why people, especially young men, stay off the electoral register is the fact that their partners can often receive the single person's council tax discount. Does the hon. Gentleman think it would be a good idea to look at that relationship to establish whether the benefits and, indeed, the tax system could be used to encourage electoral registration?

Mr Streeter: I am not sure that that is a matter for the Electoral Commission, but the hon. Gentleman will have heard the Deputy Prime Minister say earlier today that the Government were considering using existing databases to inform electoral registration better, and I think that that is probably one of the answers.

Greg Hands (Chelsea and Fulham) (Con): In recent years, thousands of Polish nationals in Hammersmith and Fulham have voted in Polish national elections at polling stations set up for the purpose in locations such as the Polish cultural centre in Hammersmith. Has the Electoral Commission had any discussions with the Government to establish whether we might be able to do the same for United Kingdom nationals based abroad, enabling them to vote in United Kingdom embassies and consulates?

Mr Streeter: My hon. Friend has made a good point. I believe that such discussions have taken place over the last two or three years. However, decisions of that kind are ultimately a matter for Government, and it will be for Government to make any changes to the existing law.

Kerry McCarthy (Bristol East) (Lab): Has the Electoral Commission conducted any research into the impact of our process of applying for citizenship on a reluctance to register, and if it has not, may I urge the hon. Gentleman to encourage it to do so? I am thinking in particular of the level of fees that are charged; does that put people off becoming citizens and therefore going on to acquire the right to vote?

Mr Streeter: The hon. Lady raises an important point. I am not aware of any such research, but I will certainly pass that suggestion on to the Electoral Commission.

Simon Hughes (Bermondsey and Old Southwark) (LD): Will the hon. Gentleman invite the Electoral Commission to come up with radical proposals for improving the level of registration of people entitled to vote in the UK and to consult with the public urgently on ideas for achieving that, because there are many ideas out there that need to be collected and shared with Government so we can have a much better registration system?

Mr Streeter: I am very happy to pass those suggestions on to the Electoral Commission. It is worth making the point that Governments of all colours have attempted over the years—indeed, over the decades—to improve voter registration and the Electoral Commission runs well-resourced public awareness campaigns, but there is still a group of hard-to-reach people in this country. I will certainly pass his suggestions on to the Electoral Commission, however.

CHURCH COMMISSIONERS

The hon. Member for Banbury, representing the Church Commissioners, was asked—

Women Bishops

6. **Diana R. Johnson** (Kingston upon Hull North) (Lab): What recent representations he has received on proposals for the consecration of women as bishops. [11097]

The Second Church Estates Commissioner (Tony Baldry): I have received numerous representations from people on all sides of the argument. I recently addressed the General Synod of the Church of England on this matter in York, and I have placed a copy of my statement in the Library.

Diana R. Johnson: Will the hon. Gentleman take a guess as to when he thinks we will have the historic first woman bishop in the Church of England? When does he think that will be?

Tony Baldry: The legislation completed its Report stage at York. It now has to go to all the 44 dioceses of the Church of England. If a majority of them agree, it will go back to General Synod, probably in 2012. If two thirds of each of the General Synod's houses agree to it, I would then expect it to come here to the Ecclesiastical Committee and this House in 2013, and if this House agrees, we could see the appointment of the first woman bishop in 2014.

Mark Pritchard (The Wrekin) (Con): As someone who considered entering the ministry but realised I had too many vices and not enough virtues, may I commend the life and ministry of women in the Church, but also ask my hon. Friend whether he agrees that the first appointment of a female bishop, which will undoubtedly happen soon, must be on merit rather than political correctness?

Tony Baldry: I am sure that all appointments in the Church of England, including that of the Second Church Estates Commissioner, are made on merit.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for South West Devon, representing the Speaker's Committee on the Electoral Commission was asked—

Referendums (Timing)

7. **Jessica Morden** (Newport East) (Lab): What assessment the Electoral Commission has made of the effects of holding referendums on the same day as other elections. [11098]

Mr Gary Streeter (South West Devon): The Electoral Commission set out its position on the proposal to hold a UK-wide referendum next year on changes to the voting system to the UK Parliament in a statement on Thursday 22 July, a copy of which has been placed in the Library. The commission said in its statement that on balance it believes it should be possible to deliver the different polls proposed for 5 May 2011 if the key practical risks in doing so are properly managed. The commission will advise Government and Parliament if these risks have not been adequately addressed at the appropriate stage during consideration of the Parliamentary Voting System and Constituencies Bill.

Jessica Morden: Given that the Deputy Prime Minister did not have the courtesy to consult the Welsh Assembly Government before making the decision to have the alternative vote referendum on the same day as the Welsh Assembly elections, will the Electoral Commission be listening to the concerns in Wales about the distraction caused by holding the two elections on one day, particularly in terms of competing media campaigns?

Mr Streeter: The Electoral Commission is extremely good at consulting all its stakeholders, and that will certainly involve all kinds of interest groups in Wales in the run-up to the referendum.

Mr Peter Bone (Wellingborough) (Con): Will the hon. Gentleman tell us why the Electoral Commission has changed its view?

Mr Streeter: In November 2009 the Electoral Commission took a long look at all the international experience of holding different kinds of votes and referendums on the same day and came to the conclusion that, in principle, it is wrong to maintain that we cannot hold two votes on the same day along the lines that it had previously indicated. However, it is of course looking to make sure that the key safeguards are in place, notably those relating to public awareness and the design of ballot papers, and it will advise Government on that well before the referendum next May.

CHURCH COMMISSIONERS

The hon. Member for Banbury, representing the Church Commissioners, was asked—

Women Bishops

8. **Chris Bryant** (Rhondda) (Lab): When he expects the Church of England to consecrate its first woman bishop. [11099]

The Second Church Estates Commissioner (Tony Baldry): I refer the hon. Gentleman to the answer I gave a few moments ago.

Chris Bryant: As one who did go into the Church ministry and then discovered that I had plenty of vices, may I ask the hon. Gentleman to be a little more impatient about the issue of women bishops? To be honest, it felt as if he was saying, "Nearer and nearer draws the time", but will it be the time that will surely come when we have women bishops, and why on earth does this legislation have to come back to this House? Surely the Church of England should be freed from the shackles of bringing its legislation here, so that we can move forward on this issue rather faster.

Tony Baldry: If the hon. Gentleman reads what I said to the General Synod, he will see that I made it clear that many of us want this legislation to come forward as speedily as possible, but we have to get it right. The reason it comes back here is that we have an established Church, and until such time as Parliament decides that we do not, we will continue to have an established Church.

Peter Bottomley (Worthing West) (Con): I hope my hon. Friend will ask the Synod to recognise that the House welcomed the decision it took to trust women bishops to do the right things, rather than trying to force them into being second-class bishops.

Tony Baldry: I thank my hon. Friend for that. I made it clear in York at the General Synod that I did not think I could get through this House any legislation in which there was a scintilla of a suggestion of women bishops in any way being second-class bishops.

Cathedral Restoration

9. **Hugh Bayley** (York Central) (Lab): What recent representations the Church Commissioners have made to the Government on public funding for the repair and restoration of cathedrals. [11100]

Tony Baldry: Church groups of all denominations are seeking to encourage and persuade the Government to continue the listed places of worship grant scheme, which enables a 100% refund of VAT on church buildings and repairs.

Hugh Bayley: Is the hon. Gentleman aware that Yorkshire Forward, the Yorkshire regional development agency, was forced to withdraw a grant of £1 million toward the cost of restoring the great east window of York minster? Will the Church Commissioners make representations to the Government that funds withdrawn from RDAs should be made available to other regional or local bodies, and that funding applications to these bodies from cathedrals should still be supported?

Tony Baldry: I understand the point the hon. Gentleman makes. It is estimated that some £9 million is required to put York cathedral into good repair. Although funding has been coming forward—I understand that there is a grant application to the Heritage Lottery Fund, and the Wolfson Foundation has set up a fund for cathedral repairs—we will need to find money from all sorts of sources if we as a nation are to meet the responsibility of repairing these fantastic cathedrals, which are part of our national heritage.

Mr James Gray (North Wiltshire) (Con): Can my hon. Friend explain why two of the cathedrals in Scotland—Glasgow and Dunblane—are fully funded by the public purse, yet not a single cathedral in England is so funded?

Tony Baldry: The situation in Scotland is simply different from that here. As I said, we need to raise considerable sums of money—for Salisbury, Winchester and Lincoln cathedrals, and for York minster—but that will require a number of different sources of funding: part from the state, part from trusts and charities and part from private individuals.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for South West Devon, representing the Speaker's Committee on the Electoral Commission was asked—

Democratic Process (Engagement)

10. **Mr Graham Allen** (Nottingham North) (Lab): What recent proposals the Electoral Commission has made to engage people in the democratic process; and if he will make a statement. [11101]

Mr Gary Streeter (South West Devon): The Electoral Commission informs me that its work in this area focuses on encouraging voter registration and making sure that people have the information they need to take part in elections. It believes that it is for political parties and candidates to give people a reason to turn out to vote on polling day.

Mr Allen: The last general election was the most rule-bound, hidebound, bureaucratically hamstrung election for all of us as candidates. We had to fill in more papers, swear more oaths and write more notes to the electoral registration officer than ever before. When will the Electoral Commission get back to its core role of really trying to excite people to register, and to vote and thereby participate in our democracy?

Mr Streeter: I was not sure whether the hon. Gentleman, who is greatly respected in this House, was describing the Electoral Commission or the previous Government. He will have seen a report that has just been filed by the Electoral Commission that recommends significant changes to our electoral system along the lines he suggests. We very much hope that the Government will be listening to this excellent report.

Annual Energy Statement

12.34 pm

The Secretary of State for Energy and Climate Change (Chris Huhne): With permission, Mr Speaker, I wish to make a statement on energy policy. This statement and the departmental memorandum that I am placing in the Libraries of both Houses fulfil our commitment to present an annual energy statement to Parliament. In making this statement within three months of coming into office we are signalling the importance of this policy. We are setting out a clear strategy for creating the 21st-century energy system that this country urgently needs if we are to have affordable, secure and low-carbon energy in future.

We face short-term challenges as a result of the legacy inherited from the previous Government. We have the third lowest share of renewable energy of all 27 states in the European Union, which is the same ranking as in 1997. In the longer term, we must meet the challenges of a volatile oil market and increased energy imports. We are taking three big steps forward: we are creating a market for energy savings through the green deal; we are ensuring a properly functioning electricity market; and we will strengthen the carbon price.

Our actions must be informed by the best information about the future. That is why I am publishing our work on 2050 energy pathways, which has been worked up in consultation with industry, scientists, engineers and economists. We are making the data and analysis available and we are inviting comments over the summer. We want to start a grown-up debate about what a low-carbon future will look like and the best way of achieving it. These are possible pathways; we are not claiming to be able to see the future with certainty, but we cannot continue on the current pathway, which is high carbon and highly dependent on imports, with highly volatile prices.

Like the other industrial revolutions, the low-carbon revolution will be driven by entrepreneurs, the private sector, local communities, individuals, businesses, scientists and engineers—not by government. However, industry needs stable policy and functioning markets. The role of government is to provide the policy framework and to act as a catalyst for private sector investment. As the 2050 pathways work demonstrates, we need to apply those principles to the challenge of changing fundamentally the way we produce and consume energy.

The cheapest way of closing the gap between energy demand and supply is to cut energy use. We need to address the state of our buildings—we have some of the oldest housing stock in Europe. Our green deal will transform finance for improving the energy efficiency of Britain's homes. It will get its legal underpinning from measures in the first-Session energy Bill. We are also accelerating the roll-out of smart meters, which provide consumers and suppliers with the information to take control of their energy management. Alongside this statement, the Government and Ofgem are publishing a prospectus for smart meters, which sets out how we will do this.

Openness is important to us, as it is to business and the public. Alongside this statement, I am also publishing analysis of the impact of energy and climate change policies on both household and business energy bills up to 2020, and I will continue to do so on an annual basis.

At the moment, the UK economy is reliant on fossil fuels. As UK oil and gas production decline, this leaves us more exposed to volatile prices and increasing global competition for the resource. The challenge is to spur the capital investment required for new energy infrastructure. The volatility of fossil fuel prices and continuing uncertainty about the carbon price makes such investment high risk, pushing up costs and slowing development, so the first step is to support the carbon price.

In addition, I can announce that we are carrying out a comprehensive review of the electricity market and I will issue a consultation document in the autumn. This will include a review of the role of the independent regulator Ofgem. The Government will also put forward detailed proposals on the creation of a green investment bank. The coalition agreement is clear that new nuclear can go ahead so long as there is no public subsidy. The Government are committed to removing any unnecessary obstacles to investment in new nuclear power. In the memorandum, I have outlined some clear actions to aid this. As a result, I believe that new nuclear will play a part in meeting our energy needs. In the heating sector, I can confirm our strong commitment to action on renewable heat. The Government are considering responses to the renewable heat incentive consultation and will set out detailed options following the spending review.

The UK is blessed with a wealth of renewable energy resources, both onshore and offshore. We are committed to overcoming the real challenges in harnessing those resources. We will implement the connect-and-manage regime, and I am today giving the go-ahead to a transitional regime for offshore wind farms. Both those measures will help to speed up the connection of new generation to the grid. We remain committed to developing generation from marine energy, biomass and anaerobic digestion. Biomass investors that were promised help under the renewables obligation will continue to benefit.

We also need incentives for small-scale and community action. We are consulting on a new microgeneration strategy, and I am today laying an order to allow local authorities to sell renewable electricity to the grid.

Fossil fuels can also have their place in a low-carbon future, provided that we can capture and store most of their carbon emissions. We will introduce an emissions performance standard and we intend to launch a formal call for future carbon capture and storage demonstration projects by the end of the year.

This is a bold vision. We will not be able to deliver it without a 21st-century network that can support 21st-century infrastructure. The statement sets out practical measures that we are taking to improve network access and begin the building of a truly smart grid. However, the vision needs to be grounded in reality. The low-carbon economy must happen, but it will not happen tomorrow. There are potentially 20 billion barrels of oil equivalent remaining in the UK continental shelf, but we must maximise economic production while applying effective environmental and safety regulations. We are doubling the inspections of offshore oil and gas rigs, and we will undertake a full review of the oil and gas environmental regime.

We must also be mindful of our inherited responsibilities. My Department is responsible for managing the country's nuclear legacy. I am committed to ensuring that those essential duties are carried out with the utmost care and consideration for public safety.

The UK does not stand alone. The Government will work together with our international partners in efforts to promote action on climate change and energy security across the world. We are working hard to put Europe at the front of the race for low-carbon technology. This will help to refresh the appetite for action across the world after the disappointment of Copenhagen.

In conclusion, the statement is about planning ahead and providing clarity and confidence in the policy framework. That is why I am also publishing today my Department's structural reform plan to show how we are carrying out our priorities. Once we have completed the spending review, we will publish a full business plan. At last we can have an energy policy with real direction and purpose, and a Government who are willing to take the bold steps necessary. I commend the statement to the House.

Edward Miliband (Doncaster North) (Lab): I thank the Secretary of State for early sight of his statement and the associated documents. There are some things in the statement that I welcome: the continuation of our work on the 2050 pathways and scenarios; the role of local authorities; and what he said about smart metering, although I think that he has adopted our timetable for the roll-out of smart meters despite the great rhetoric before the election about a faster timetable.

The problem with the statement, however, is that the Secretary of State did not tell us that, on a whole range of issues, he is going backwards not forwards compared with the actions of the previous Government. The truth is that the Government have gone from the rhetoric without substance of opposition to rhetoric without substance in government. Let me take the issues in turn and ask him some questions.

Contrary to what the Secretary of State says, we had a clear plan on the long-term transition to the low-carbon economy that Britain needs—it was the low-carbon transition plan that was published in summer 2009. That plan was widely applauded by industry, employers and green organisations. The problem, however, is that he is unpicking parts of that plan. If he wants a higher renewables target, will he explain why he is abandoning the measures that we put in place to meet the existing renewables targets? He has given in to Conservative nimbyism by abolishing local and regional targets for renewables.

It is absolutely unclear from the documents that the right hon. Gentleman has presented to the House how he will meet the higher targets. We do not even know what they will be. On onshore wind, his own Minister, Lord Marland, in another place, says:

"It is our determination there should be no dramatic increase in this".—[*Official Report, House of Lords*, 5 July 2010; Vol. 720, c. 5.]

How will the right hon. Gentleman meet his renewable targets without a dramatic increase in onshore wind? If he does not agree with Lord Marland, he had better get a grip on his own Department.

The right hon. Gentleman is going backwards on wind power and on the incentives to use renewable heat in our homes. We were set to be the first country in the world in April 2011 to have a renewable heat incentive in place. All that he has done in the statement today is to postpone any decision on this until after the spending review. Will he explain why has he done so and what the timetable will be for the renewable heat incentive?

On nuclear, the right hon. Gentleman has finally said something positive, but I do not think that anyone will really believe that his heart is in it. Let me test him out. We said in our national policy statement that we believed that new nuclear should be free to contribute as much as 25 GW towards new capacity. Does he agree with that?

On a green economic future for Britain, I am afraid that his statement goes backwards too, most shamefully with the decision on Sheffield Forgemasters. A written answer has been smuggled out by the Secretary of State for Business, Innovation and Skills this morning trying to explain how it is possible that the Prime Minister, the Deputy Prime Minister and others said in this House that Sheffield Forgemasters had refused to dilute the loan when that was not the case.

Will the Secretary of State for Energy and Climate Change explain once and for all, because it has not been explained before, why, given that it was a loan, given that the money was set aside, given that there was value for money as judged by the independent panel that looks at these issues, he cancelled that loan? Why has he taken the £1 billion away from the green investment bank? We set aside resources from the sale of High Speed 1 towards the green investment bank and he has taken that money away. So the right hon. Gentleman is going backwards, too, on the question of our industrial future.

Finally, on fairness, we all accept the huge challenge of fuel poverty amid the green transition. Will the right hon. Gentleman explain why, in the documents that he publishes today, he no longer says that he will necessarily be going ahead with the compulsory social tariffs that will give cut-price energy for the most vulnerable? Again, it is put off until after the spending review, and again it is subject to review. Does he agree that it is vital? The Liberal Democrats' position before the election was to do more to help the most vulnerable, including through compulsory social tariffs.

The truth about this Government is that they promised that they would be the greenest Government ever. Any fair-minded person looking at this statement will conclude that they are a huge disappointment—to industry and to the country. In our first debate, the right hon. Gentleman said:

"One thing that the Government are going to do is to under-promise and over-deliver".—[*Official Report*, 27 May 2010; Vol. 510, c. 317.]

On today's evidence, he got it the wrong way round.

Chris Huhne: I am grateful to the right hon. Gentleman for his response. Let me make it clear that we have set out in this annual energy statement a clear route map with a framework that will deliver the low-carbon economy that I believe we both want. That is something that will be seen in the test of results rather than in the test of rhetoric.

If one looks at wind power, for example, I cannot accept that the Government should take lectures from the Opposition on renewable energy. The reality is that we have the third worst record of all 27 European Union member states. I know that the right hon. Gentleman, in the latter years of the last Government, improved the policy settings, to which I pay tribute, but the reality is that, taken as a whole, the record of 13 years of Labour rule on this agenda is truly shocking.

[Chris Huhne]

For us to take office after 13 years of Labour Government, when they have made no progress whatsoever in improving our rankings on renewable energy compared with all 27 members of the EU, is extraordinary.

The right hon. Gentleman knows very well that, on the renewable heat incentive and, indeed, on Sheffield Forgemasters and the fuel poverty commitment, we are inevitably subject to the spending review for the very simple reason that his colleague, the right hon. Member for Birmingham, Hodge Hill (Mr Byrne), said extremely pithily when he left the Treasury, "There is no money left." Although I have enormous respect for the green credentials of the right hon. Member for Doncaster North (Edward Miliband), I do not think that he does the cause of progressive politics or green politics any good by pretending that there is a bottomless bucket of money that we can dip our hands into and throw at problems.

The right hon. Gentleman did not say anything about the constraints that, if elected, the Labour party as he very well knows would have laboured under exactly as we do. He certainly talks the talk, but we are delivering. We will introduce a carbon price floor; he did not. We will introduce an emissions performance standard; he did not. We will introduce a green deal to tackle energy saving in every household, including fuel-poor households; and he did not. That should be a matter of shame to Labour Members.

Several hon. Members *rose—*

Mr Speaker: Order. A very large number of right hon. and hon. Members wish to take part in this statement, but there is another statement to follow and then a ten-minute rule Bill, followed by the Backbench Business Committee debate to which nearly 50 Members have applied to contribute, so what I require both in questions and in answers is brevity.

Jeremy Lefroy (Stafford) (Con): As my right hon. Friend knows, the energy-intensive industries in my constituency, such as ceramics and aluminium, which have already achieved great efficiencies over the past 10 years, are very concerned about the impact of the new carbon trading rules that are due to be introduced in a couple of years. Will he assure us that the rules will not result in production and jobs simply moving overseas to jurisdictions that do not take carbon emissions as seriously as we do in this country?

Chris Huhne: Both the Department and the European Commission have looked closely at those competitiveness issues, and we feel confident that a range of measures, such as free allocation when it comes to the emissions trading scheme, can deal with those problems. We should remember that there are substantial transport costs, which provide some protection, and I believe that the industries concerned have a healthy future.

Malcolm Wicks (Croydon North) (Lab): I welcome the idea of an annual energy statement and, indeed, much of this statement's content, particularly what I think is a step forward—the assertion that new nuclear will play a part in meeting our energy needs. Given the coalition's differences as was—or perhaps as still—who has ministerial responsibility for driving forward the civil nuclear programme? Given my experience of working with three Secretaries of State, and given the complexities of the matter, I know that one needs a Secretary of State who is determined to drive the programme forward.

Chris Huhne: I have great respect for the right hon. Gentleman's expertise in this area. We work very much as a team in the Department, and my hon. Friend the Member for Wealden (Charles Hendry), the energy Minister, and I have been working very closely with nuclear suppliers and attempting to meet some of their concerns about the regulatory framework. It was precisely because we had two different views, from the Conservative side and the Liberal Democrat side, that we dealt with the issue right at the beginning, with a coalition agreement that makes very clear what is going to happen.

On the point that the right hon. Member for Doncaster North made about whether we should commit to a particular target, I simply say that I do not believe that it is the job of government to micro-manage how we put in place a framework for, and facilitate, low-carbon energy. However, there is no doubt that the coalition agreement sets out that there is a place for new nuclear, and I believe that there will be investment in new nuclear to meet our energy needs in the future.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): The Secretary of State will know, from his visit to north-east Scotland so soon after his appointment, just what skills have been developed in the sub-sea engineering field and the world-leading companies that are in my constituency. Does he recognise that those skills will be very much needed to drive forward further gas and oil production, the carbon sequestration projects in the North sea and existing marine renewable skills? Will he build on those skills to ensure that we have a British-based solution to the carbon problem?

Chris Huhne: I am very grateful to my hon. Friend for that question. Nobody who has visited his part of the world can fail to be impressed by the professionalism and expertise in the area. Interestingly, such skills not only exist in oil and gas exploration, where it started, but are extending right the way across the piece. For example, companies that were involved in building rigs for oil and gas exploration are now involved in building bases for wind turbines. I can assure my hon. Friend that we in the Department are very conscious of the extremely valuable resource that we have in north-east Scotland among all those energy sectors.

Dr Alan Whitehead (Southampton, Test) (Lab): I note the right hon. Gentleman's reference to the ambition of the green deal that he is going to bring forward shortly. However, the Minister of State, Department of Energy and Climate Change, the hon. Member for Bexhill and Battle (Gregory Barker) recently ruled out the inclusion of microgeneration in green deal offers for homes. Does the right hon. Gentleman accept that, therefore, the green deal will effectively prove to be a small mouse rather than a mighty change? Does he accept also that, based on securitisation, bodies such as Eaga already use the feed-in tariff to offer home improvements, including solar photovoltaic cells, at no up-front cost? Why cannot he do that in the green deal?

Chris Huhne: I think that the hon. Gentleman misunderstands the green deal, which is primarily about insulation. We are very happy for any green deal provider to offer microgeneration alongside insulation, and he should remember that an extraordinary level of incentives for microgeneration is available through the feed-in tariff, so we are by no means excluding it. We want to see it encouraged, and if green deal providers supply green deal insulation for households they will be able to offer microgeneration packages, too.

The hon. Gentleman should make an important distinction. The green deal, along with home energy insulation, needs to be in place in our existing housing stock right the way through to 2050. Whereas, with the best will in the world, if we look at boilers and other forms of microgeneration, we see that there is going to be a replacement process, because we have yet to produce boilers that can last right the way through to 2050, which would be quite a stretch. Inevitably, there are two different markets.

Sarah Newton (Truro and Falmouth) (Con): I very much welcome the Government's strong commitment today to renewable heat. In my constituency we hope to host the first commercial deep geothermal energy plant in the UK, and we have the only UK manufacturer of ground-heat pumps, so the speed with which the Government can act on bringing in the renewable heat incentive is vital to my constituents. Will the Minister be so kind as to outline the time frame?

Chris Huhne: My hon. Friend should be aware that all those decisions need to be taken in line with the spending review, but in the statement there is a very clear commitment to renewable heat, from which I hope that she can draw comfort. I have been in discussions with other MPs from Cornwall, and I am very aware of the potential for geothermal. My hon. Friend the energy Minister is planning a visit shortly to Cornwall, and I also hope to be able to see the progress that is being made in those important areas.

Tony Lloyd (Manchester Central) (Lab): I very much welcome the Secretary of State's commitment to look at the energy markets, but will he accept that the markets in both gas and electricity do not offer fair prices to the poorest people? In that context, will he commit to giving the power to Ofgem to ensure that it regulates the delivery of energy to the poorest people in our country?

Chris Huhne: The hon. Gentleman is quite right to point out that competition is an absolutely key part of ensuring that everybody gets fair prices, but so is social price support and the other steps that we can take to target energy-saving measures on, in particular, the poorest households. The green deal will very much include that element, because dealing with the cause of the problem will be infinitely preferable to having to deal merely with the symptoms.

Laura Sandys (South Thanet) (Con): I thank the Secretary of State very much for a clear sense of direction on energy security, which we have lacked for many years. What plans do he and his Department have to implement the marine energy park proposal that was in our manifesto before the election? My constituency, which includes the world's largest offshore wind farm, would very much like to be part of that proposal to ensure that we can create a much more progressive renewables sector in Thanet.

Chris Huhne: My hon. Friend can rest assured that we have not forgotten about the marine parks proposal; indeed, we are taking it forward with consultation. We hope to make an announcement in due course.

Mr Frank Doran (Aberdeen North) (Lab): The Secretary of State commented a lot about the importance of the private sector in his policy, but he did not show a real understanding about how the private sector operates in this area. He will recall that a few weeks ago he visited the Aberdeen Renewable Energy Group stand at the All-Energy conference in Aberdeen. The point was made to him strongly that the private sector was gearing up for the renewable heat initiative, which as I understand it was intended to come about, with all-party support, in 2011. There has, however, been silence on the issue and, given his statement today, I am sure that there will be concern about more than that. There will be concern that the whole affair has been shelved until after the economic statement later in the year and that there will be chaos in the private sector. There is real concern about the Government's failure to implement what was anticipated.

Chris Huhne: The hon. Gentleman is quite right that it is absolutely essential that any private sector investment, which we aim to unlock, should have certainty and clarity. On the renewable heat incentive, the statement is clear about our commitment to renewable heat, which is absolutely essential if we are to meet our target. The hon. Gentleman has to appreciate that the country is facing an exceptionally severe fiscal crisis and that it is inevitable that we deal with these matters in the context of the spending review. However, people in the sector can take considerable comfort from my words today about renewable heat.

Duncan Hames (Chippenham) (LD): My right hon. Friend assures us that there will be no subsidy to the nuclear industry. Today, BP has announced that it expects to spend £20 billion on the clean-up following the Gulf of Mexico oil disaster. Will he raise the limit on the exposure of nuclear operators to catastrophes to an equally demanding level?

Chris Huhne: I am grateful to my hon. Friend for that question. One of the things that we are looking at in the context of making sure that there is no public subsidy for nuclear is the contingent liability regime and ensuring that there are no holes in it. In due course, we will be able to make a statement on that.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): I welcome the Secretary of State's acknowledgement, albeit somewhat grudgingly, of the role of the new nuclear industry in providing for our future energy needs. I seek reassurance from him that his party's previous objection to nuclear was not a factor in the withdrawal of the loan from Sheffield Forgemasters. If he can give that reassurance, will he at last give us a transparent and coherent explanation of why funding

[Mr Adrian Bailey]

for extremely welcome projects at Nissan and Ford were allowable when funding for Sheffield Forgemasters was not?

Chris Huhne: I can absolutely and categorically give the hon. Gentleman an assurance that whatever he imagines to be the prejudices or otherwise of me or my party have absolutely nothing to do with the decision on Sheffield Forgemasters, which was a matter of affordability. I merely draw his attention to the written ministerial statement from my right hon. Friend the Secretary of State for Business, Innovation and Skills. That clearly sets out the reasons that underlay the decision.

Mr Robert Walter (North Dorset) (Con): I welcome the Secretary of State's statement on the low-carbon economy, particularly his commitment to offshore wind. In the beautiful Blackmore vale in my constituency we face yet another application to erect wind turbines. The only business case is the subsidy paid for those turbines; the wind blows barely 20% of the time. Will the Secretary of State confirm that it will still rest with the local planning authority to judge such applications on planning considerations?

Chris Huhne: I can confirm to my hon. Friend that below 50 MW the decision is for the local planning authority. However, I urge him not to fall into the easy trap of assuming that the only reason for building onshore wind turbines is for subsidy. The recent study on costs that the Department has had from Mott MacDonald shows that there has been a dramatic reduction in the cost of onshore wind. The result is that it is competitive in a free market with other sources of energy.

Barry Gardiner (Brent North) (Lab): Thirty per cent. of the UK's energy supply will be going off stream between 2017 and 2025 as nuclear power stations are decommissioned. Is it good enough for the Secretary of State to say that the private sector may supply new nuclear facilities? Surely he has to come up with a plan now to replace that 30% of energy and tell the House where it is going to come from.

Chris Huhne: The hon. Gentleman and I have already had this debate, which is a bit like dancing on the head of a pin. The reality is that the Government's job is to set a clear framework that will deliver the energy investment that we need to deal with the problem that the hon. Gentleman rightly raises. I believe that the statement is a first step towards doing that. We will have a clear amount of new energy infrastructure investment. I merely point out that it is really no part of the business of government to micro-manage decisions that should properly be left to the marketplace and the private sector.

David Morris (Morecambe and Lunesdale) (Con): I congratulate the Secretary of State on his announcement. However, I am concerned that there will be no public subsidies for the nuclear power industry. My constituency has two nuclear power stations that pump out 10% of the national grid. One is to be decommissioned in the next 10 years. Nuclear technology is a low-carbon fuel source, and the statement represents that. We should be looking into part-funding privatised nuclear power stations. Surely that is the way ahead.

Chris Huhne: I am grateful to my hon. Friend for his question. There is a clear economic reason for making a distinction between nuclear power and the other sources of energy on which we can rely in coming years. It is simply that there is a strong argument for encouraging an infant industry, at an early stage of development, from the public sector. We have seen that with onshore wind, whose cost has come down dramatically precisely because of the encouragement of the public sector. I am afraid that the same argument cannot be made for nuclear power, which has been around for a long time. It is not an infant industry, but an established and mature one and it can and should compete on that basis, along with all other comers.

Helen Goodman (Bishop Auckland) (Lab): The Secretary of State emphasised that the Government are working as a team. Which members of the team were involved in the decision on Sheffield Forgemasters?

Chris Huhne: As the hon. Lady will know, government is a collective business. Large numbers of people were involved in the decision on Sheffield Forgemasters. At the Department, we were certainly kept informed.

Mr John Baron (Basildon and Billericay) (Con): I welcome the statement, but does my right hon. Friend appreciate that 4,000 different tariffs cause understandable confusion among consumers? Under pressure, the previous Government promised that annual statements would include information on the cheapest tariffs so that consumers could more easily see whether they were paying too much for their energy. Are this Government going to continue with that promise? If so, has the Secretary of State considered including cheapest-tariff information on monthly bills? An annual statement discriminates against active switchers.

Chris Huhne: I am grateful to my hon. Friend for that question. He is absolutely right; one of the most powerful instruments in the toolbox is the unleashing of competition as effectively as possible. Competition is ineffective if there is not a clear commitment to information and understanding on the part of consumers. We will bring forward proposals in the energy Bill later this year to make sure that consumers are properly informed. We will take account of the time scale that my hon. Friend has proposed.

Ian Lavery (Wansbeck) (Lab): Is the Secretary of State aware that at this moment in time coal produces up to 35%—at times, 50%—of the electricity generated in the UK, yet the announcement this morning did not make a single reference to coal? Will he give a commitment to the continuation of the British deep mining coal industry?

Chris Huhne: The hon. Gentleman clearly was not listening to the part of the statement that dealt with carbon capture and storage. The future of the coal industry—and, potentially, of gas—is about carbon capture and storage. It is an exciting technology on which this country has led. We have done a lot of the interesting, pioneering science on it. That, above all, will be the commitment to the coal sector.

Andrew George (St Ives) (LD): I warmly congratulate my right hon. Friend on his statement. Further to the question by the hon. Member for Manchester Central (Tony Lloyd), who is no longer in his place, what reassurance—indeed, guarantee—can the Secretary of State provide to the House that vulnerable households will be supported and not further impoverished as a result of the measures that will be rolled out following this statement of policy?

Chris Huhne: My hon. Friend will know that the forecasts that we are making for 2020 crucially depend, in terms of their impact on household bills, on what one thinks will happen to the price of oil and gas. If one thinks that it will basically be the same as today, there is a modest increase in the cost of policies compared with the alternative; if one takes the International Energy Agency's view of a $100 price for a barrel of oil, for example, one sees that our policies are reducing the cost of electricity to households. However, it is absolutely crucial to ensure not only that the policy framework delivers overall lower costs but that poor households, in particular, will not bear the brunt. That is why we are looking at social price support and why, as I said to the hon. Member for Manchester Central (Tony Lloyd), it is absolutely crucial to target our energy efficiency measures on fuel-poor households so that we can deal with the cause, not merely with the symptoms.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): I was grateful to hear the Secretary of State's reconfirmation of the doubling of inspections of offshore oil and gas rigs. However, given that we have just seen testimony from the United States about Transocean oil rig managers ordering that a general alarm on the Gulf of Mexico oil rig that exploded be disabled, is it not time for the Secretary of State or the energy Minister to summon the Health and Safety Executive and Transocean to give further assurances about the safety of the 10 Transocean oil rigs that operate in UK waters?

Chris Huhne: The hon. Gentleman raises an important point that we are very aware of and have been devoting a lot of attention to in the Department. We had our own problems in this country with Piper Alpha at the end of the 1980s. In response to that, substantial changes were made in the regulatory regime which meant that there were no conflicts of interest of the sort that have existed in the American regime, and the US Administration are taking on board some of those lessons. We have tightened up the regime, which we want to be as effective as possible, and we will learn the lessons as they come out from the various inquiries into what happened with Deepwater Horizon. I assure the hon. Gentleman that we will also be in close discussions with our Norwegian counterparts; we are already doing so at an official level. Last week in the US, at the clean energy ministerial meeting, I had some interesting discussions with my Norwegian counterpart on learning the best lessons from what has gone on in the Gulf of Mexico to ensure that we have an absolutely state-of-the-art regulatory regime, as I assure the hon. Gentleman we will.

Mr Tobias Ellwood (Bournemouth East) (Con): My right hon. Friend has made it clear that there is no public money for the mature nuclear energy markets, but I presume that that means nuclear fission, not nuclear fusion. May I encourage him to consider the latter technology? It has always been said that it is 20 years away, but we are now talking about a 2050 energy pathway, which will take us beyond 20 years. May I encourage public spending on this area such as that we have seen in Oxfordshire?

Chris Huhne: As my hon. Friend says, the technology has been held out as having enormous promise for many years. It would be absolutely marvellous, as I think everybody can agree, if we were able to move to new nuclear fusion, which has all sorts of fantastic advantages. I will await with interest the briefing from my excellent chief scientist on the practicalities of incorporating it within a 2050 pathways review.

Mr Phil Woolas (Oldham East and Saddleworth) (Lab): The nuclear industry is worth an estimated £30 billion of investment over the next 10 years in the north-west of England alone. At the time of the announcement on Sheffield Forgemasters, that was part of a much wider strategy mainly based in the north-west, which included public money being spent on research, not least in the area that the hon. Member for Bournemouth East (Mr Ellwood) mentioned—for example, at the Dalton nuclear institute and the advanced manufacturing research centre. That is public money for investment. Is that money secure, or does the Secretary of State see it as a subsidy to the nuclear industry?

Chris Huhne: The hon. Gentleman really does not get it yet, and I am afraid that he shares that with a lot of his colleagues on the Labour Benches. The reality is that the fiscal constraints under which this Government are now labouring—I use that word advisedly—are such that we are having to look with extraordinary forensic acuteness at spending right across the board. The days when he and his colleagues were able to sign blank cheques and leave them like confetti across the country are over. If he has not yet woken up to that fact, he had better do so pretty soon, because the electorate will not take him seriously until he does.

Dr Thérèse Coffey (Suffolk Coastal) (Con): I welcome my right hon. Friend's statement and invite him to come to Suffolk Coastal or, as I rechristened it in my maiden speech, the green coast, where he will see a range of energy schemes such as those that he is proposing. However, in considering the subsidy that is given to the production of offshore energy, will he also consider how we get that energy onshore? One of the great ironies would be the production of all this very environmentally friendly energy but the blight of pylons right across areas of outstanding natural beauty and beautiful countryside.

Chris Huhne: My hon. Friend is right to raise that issue. We are indeed considering the transmission regime to ensure that we get the appropriate type. One of the big issues is that we essentially have a cost profile for the transmission regime that is based on an incentive to put mobile power stations as close as possible to their markets. That is absolutely fine when we are dealing with sources of energy that are mobile, but increasingly we are dealing with sources of energy that are not mobile. If we want to build wind turbines, we have to put them in areas where there is wind and where there is

[Chris Huhne]

an economic basis for doing so. My hon. Friend's point is a significant one for us in the Department, and we are addressing it.

Mr Clive Betts (Sheffield South East) (Lab): The Secretary of State said a few minutes ago that his Department was kept informed about the decision on Sheffield Forgemasters. Were he and his ministerial colleagues consulted before the decision was made, and if so, what views did they put forward in that consultation?

Chris Huhne: We were consulted on Sheffield Forgemasters, although the matter relates to the budget of the Department for Business, Innovation and Skills. The reality is that advice between Ministers obviously remains confidential—[HON. MEMBERS: "Ah!"]—as indeed I believe it was confidential under the last Government. However, I would be happy to ask the shadow Secretary of State to come to the Dispatch Box and explain all the occasions on which he disagreed with his colleagues.

Mr Peter Bone (Wellingborough) (Con): The Secretary of State shows the same enthusiasm for new nuclear power as I do for the European Union, but I do not have to lead the charge for the European Union, whereas he does have to lead the charge for new nuclear. How does he square that circle?

Chris Huhne: I had absolutely no idea that the hon. Gentleman shared to such a degree my enthusiasm for the European Union.

Chris Leslie (Nottingham East) (Lab/Co-op): The Secretary of State's statement shows that he has quickly assimilated and merged with the Conservative view—the "market knows best" approach to environmentalism. However, will not the swingeing and unnecessarily quick cuts to some of this expenditure, particularly for local authorities, make a mockery of any carbon-reduction strategies or aspirations that he has?

Chris Huhne: The hon. Gentleman is not listening if he thinks that I am saying that the market always knows best. I am saying that the Government have a responsibility, in the national interest, to set a framework that will deliver a low-carbon economy and energy security in what is likely to be an increasingly volatile and difficult world. In that context, having put the incentives in place, it is up to the market to deliver. We need to ensure that those incentives are adequate, and I assure him that I believe in the need for that overall framework.

David Mowat (Warrington South) (Con): Electricity in the UK—this is a legacy from the past 15 years—costs about 30% more than in France, where it is supplied by cheap nuclear. Is it a policy objective for us to fix that, and if so, under what time frame does the Secretary of State think that that will happen?

Chris Huhne: As the hon. Gentleman knows, the French began their energy commitment to nuclear power in the wake of the first oil shock of 1973-74, so the subsequent period encompasses an awful lot of Governments of different persuasions. We are attempting to move as quickly as possible to a situation whereby we, too, can have highly affordable electricity that is relatively robust and resilient to the sort of shocks that we are likely to see across the world economy.

Clive Efford (Eltham) (Lab): In his statement, the Secretary of State said that the Government were committed to removing any unnecessary obstacles to investment in new nuclear. I assume that that is a reference to Liberal Democrat policy. Does he still believe it is possible to deliver a low-carbon energy supply without nuclear? Is that his policy, or has he changed his mind, and will he be in a darkened room when we debate new nuclear in future?

Chris Huhne: The hon. Gentleman must know that I am a Minister in a coalition Government, who recognised right at the beginning of the negotiations that there were differences of views between the two parties. We were very clear, and the coalition agreement was very clear, about how we were reconciling them, and I am getting on with the job of delivering our agreement.

Kerry McCarthy (Bristol East) (Lab): I was somewhat disappointed that although the Secretary of State made fleeting reference to marine energy, he had nothing to say about tidal power in particular and the potential to exploit it in the Severn estuary. Can he confirm his commitment to the Severn barrage feasibility study, and can anything be done to accelerate it so that we can have an answer sooner rather than later on whether it can go ahead?

Chris Huhne: The hon. Lady can rest assured that we are considering the Severn barrage feasibility study and will make an announcement in due course with our response.

European Investigation Order

1.21 pm

The Secretary of State for the Home Department (Mrs Theresa May): With permission, Mr Speaker, I would like to make a statement on the draft directive for a European investigation order, and the Government's decision to opt into that draft directive.

As people have become more mobile, so too has crime, and that has serious consequences for our ability to bring criminals to justice. To deal with cross-border crime, countries enter into mutual legal assistance—MLA—agreements. Those agreements provide a framework through which states can obtain evidence from overseas. MLA has therefore been an important tool in the fight against international crime and terrorism. It has been crucial in a number of high-profile cases. For example, Hussein Osman, one of the failed terrorists from the 21/7 attacks five years ago, might not have been convicted had it not been for evidence obtained through MLA.

However, MLA has not been without its faults. The process is fragmented and confusing for the police and prosecutors, and it is too often too slow. In some cases it takes many months to obtain vital evidence. Indeed, in one drug trafficking case the evidence arrived in the UK after the trial had been completed. The European investigation order is intended to address those problems by simplifying the system, through a standardised request form and by providing formal deadlines for the recognition and execution of requests.

The Government have decided to opt into the EIO because it offers practical help for the British police and prosecutors, and we are determined to do everything we can to help them cut crime and deliver justice. That is what the police say the EIO will do. We wrote to every Association of Chief Police Officers force about the EIO, and not one said that we should not opt in. ACPO itself replied that

"the EIO is a simpler instrument than those already in existence and, provided it is used sensibly and for appropriate offences, we welcome attempts to simplify and expedite mutual legal assistance."

However, I know that some hon. Members have concerns about the EIO, and I should like to address them in turn. The first is on the question of sovereignty. In justice and home affairs, there are many ideas coming out of Brussels, such as a common asylum policy, that would involve an unacceptable loss of sovereignty. I want to make it absolutely clear to the House that I will not sign up to those proposals, and I have made that clear to my European counterparts. However, the EIO directive does not incur a shift in sovereignty. It is a practical measure that will make it easier to see justice—British justice—done in this country.

The second concern is about burdens on the police. At a time when we are reducing domestic regulatory burdens on the police, I agree that it would be unacceptable to have them re-imposed by foreign forces. That is why we will seek to ensure that there is a proportionality test, so that police forces are not obliged to do work in relation to trivial offences, and that forces will be able to extend deadlines when it is not possible to meet them. I want to be clear that the EIO will not allow foreign authorities to instruct UK police officers on what operations to conduct, and it will not allow foreign officers to operate in the UK with law enforcement powers.

The third concern is about legal safeguards. We will seek to maintain the draft directive's requirement that evidence should be obtained by coercive means, for example through searching a premises, only where the dual criminality requirement is satisfied. Requests for evidence from foreign authorities will still require completion of the same processes as in similar domestic cases. In order to search a house, for example, police officers will still need to obtain a warrant.

The execution of the EIO must be compatible with the European convention on human rights. That means that there must be a clear link between the alleged criminality and the assistance requested, otherwise complying with the request would be in breach of article 8 of the ECHR, on private and family life.

By opting in to the EIO at this stage, we have the opportunity to influence its precise content. We know that the existing draft is not perfect, and we are confident that we will be able to change it in negotiations. My noble Friend Baroness Neville-Jones has already had discussions with her German counterpart, and we are confident that we will shape the draft directive so that it helps us to fight crime and deliver justice while protecting civil liberties and avoiding unduly burdening the police. That is why the civil liberties group, Justice, says that

"on balance it is better for the UK to engage in this area than be ousted onto the periphery of evidence in cross border cases."

I ask hon. Members to remember this: the EIO will apply to both prosecutors and defence lawyers, which means that it can be used to prove British subjects innocent abroad, as well as to prosecute the guilty at home.

The EIO will allow us to fight crime and deliver justice more effectively. It does not amount to a loss of sovereignty. It will not unduly burden the police. It will not incur a loss of civil liberties. It is in the national interest to sign up to it, and I commend this statement to the House.

Alan Johnson (Kingston upon Hull West and Hessle) (Lab): I do not want to worry the right hon. Lady unduly at our daily meeting, but I broadly welcome this statement. I suspect that I am just a short preliminary to the real opposition on the matter, which is the Brokeback tendency behind her. [HON. MEMBERS: "Bareback!"] Or bareback tendency, even, which adds a whole new dimension.

We supported the Stockholm programme in December, which included the decision that a comprehensive system for obtaining evidence in cases with a cross-border dimension, based on the principle of mutual recognition, should be further pursued, not least because as the Home Secretary said, the current framework consists of a whole series of instruments that are fragmentary and repetitive. They hamper cross-border investigation at a time when the international dimension, particularly of serious organised crime, is of increasing importance.

There is a clear need for a comprehensive, legally binding single instrument to provide a definitive framework for cross-border investigations. That should not be conflated with the European prosecutor proposal, which we were firmly against. Perhaps the Home Secretary can confirm that failure to opt into the current instrument would leave the UK with the existing unsatisfactory and fragmentary provision, thus putting us at a disadvantage in the fight against cross-border crime. In contrast, as

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she said, opting in will allow us to negotiate further safeguards. Does she agree that those should include greater consideration of the rights of the suspect, and should not that include judicial scrutiny at both the issuing and executing stage?

I agree with the Home Secretary that there should be a proportionality test, as with the European evidence warrant, which I believe the UK will no longer be obliged to implement if we sign up to the EIO. Can she confirm that that is the case?

The human rights organisation, Justice, has indeed urged the Government to opt into the instrument, but it has raised a number of concerns about the initial draft. What discussions have the Secretary of State or her Ministers had with that organisation, and does she agree with its analysis?

It is good to see that the Government have recognised that cross-border crime is a serious concern. The Home Secretary's party opposed the European arrest warrant, principally, I believe, because it contained the word "European". I am glad that she is not repeating that mistake, and in welcoming her statement, I hope that will rethink her approach on second generation biometric passports so that as with the EIO, British citizens are not left behind as security measures in the rest of the European Union become more effective.

Mrs May: I welcome the positive and constructive approach that the right hon. Gentleman has taken today. Sadly, we are about to go into recess, so he and I must find a means of meeting other than across the Dispatch Box in the coming weeks. He made a number of points and made a passing reference to the Stockholm programme. Of course, this Government did not support everything in that. We are treating each justice and home affairs issue on a case-by-case basis, so we will decide to opt in to some things, such as the EIO, and to opt out of others.

The right hon. Gentleman asked me to confirm the impact of a failure to opt in. Failure to opt in would indeed leave UK police and prosecutors in a very unfortunate position, because it would mean that they must rely on existing MLA agreements to obtain evidence from overseas. It is intended that forces from which evidence is requested will meet a timetable contained within the EIO. I suspect that because of that, the practical reality of opting out is that UK requests would go to the bottom of the pile. The figures are stark—70% to 75% of our MLA requests are with other EU member states—so failure to opt in would have a significant impact.

The right hon. Gentleman asked about the European evidence warrant. The directive makes it clear that the EEW will be repealed and replaced by the EIO. He also mentioned the European arrest warrant. Of course, it is important that people should not get mixed up between the EIO and the EAW. We took a view different from that of the previous Government on the EAW when they signed up to it, but our review of extradition will include a review of the EAW.

The right hon. Gentleman talked about safeguards. As I said in my statement, it will be necessary in the case of certain requests—for example, for the search of premises—to have the safeguard of proper consideration, because a warrant will be required, as is the normal course of events if the UK police choose to search premises.

Several hon. Members *rose—*

Mr Speaker: Order. Many Members wish to ask questions, and as I said before, there is great pressure on business, so brevity is required. Hopeful of a lead on that point, I call Mr William Cash.

Mr William Cash (Stone) (Con): I am deeply concerned that the EIO has not been considered by the European Scrutiny Committee, which was formally set up last night, and nor have many other important matters. The legal basis is qualified majority voting, co-decision and the European Court of Justice under the Lisbon treaty. Will the Secretary of State confirm that the EIO applies to all investigative measures, and that it gives undue rights to police officers from other European countries to order our police to gather sensitive personal information —and, furthermore, DNA and banking records—in relation to non-criminal matters, and from those who are not even suspects? The grounds for refusing an EIO request are totally inadequate, and I am sure that the ESC will demand a debate and call evidence, but regrettably, it cannot do so until 8 September, because it has not been called to sit until then.

Mrs May: I must tell my hon. Friend that decisions on when the ESC meets are rather more a matter for him—as I understand it, he is the Chair of that Committee—than for me. However, I share some of his concern. As he and other Members of the House will know, I have written a pamphlet and proposed a 10-point plan on how Parliament can have more of an opportunity to have a say on, and to debate, decisions on European matters.

The instrument came before the Government on 29 April with a three-month deadline for decision. Of course, that period was partly taken up by the election, and the ESC was formed only last night, as my hon. Friend said. In the normal course of events in Parliament, the ESC could suggest the matter for debate. On that point, it is certainly my hope that when the Government propose to opt in on a major JHA issue, Parliament can consider it. However, I hesitate to give more of a guarantee than that, because what happens in Parliament is a matter for the business managers rather than for me. On the powers that my hon. Friend claims the EIO gives to foreign police forces and others, I must tell him that I think he is wrong.

Keith Vaz (Leicester East) (Lab): May I welcome the new-found affection between the Front Benchers, and take that one stage further by agreeing with the hon. Member for Stone (Mr Cash) for the first time on a European issue? It is really important for Parliament to have the opportunity to scrutinise this decision. We have just had a meeting of the Home Affairs Committee. The Police Minister gave evidence about police resources, but we could not question him on the EIO, because the Home Secretary was due to make this statement. This is a serious matter that requires scrutiny by the ESC or the Home Affairs Committee.

The Home Secretary made a statement to the House that the EIO will not have an effect on police resources, and the Police Minister, in his excellent evidence to the Committee, talked about the need to preserve police resources, but a request from one of our European partners will result in more police time being spent. That must be the case, because they would not make such a request otherwise.

Mrs May: I agree that it would be of benefit for Parliament to scrutinise and debate many such European matters more than has happened in the past. However, given that we are up against a deadline and going into recess, it would have been very easy for me simply to have made a written ministerial statement. Instead, I chose to come to make an oral statement so that I could answer questions on the EIO.

On police resources, I remind the right hon. Gentleman that we intend and hope to introduce a proportionality test in the negotiations, which is important. However, the EIO is not some new arrangement that will suddenly require extra police resources. Rather, it codifies and simplifies processes that already exist. To the extent that it reduces bureaucracy and simplifies those processes, I hope that it will be of extra benefit to our police.

Mr John Redwood (Wokingham) (Con): Many of us were elected on a programme of no more powers whatever passing to the European Union. Given that the Home Secretary promised us that no sovereignty would be transferred by the EIO, will she reassure us of that by putting into the draft proposal a simple clause that says that Britain can withdraw from the arrangement at any time if it proves to be not as advertised? If we have that clause, we are sovereign; if we do not have it, we are not sovereign. *[Interruption.]*

Mrs May: I thank the hon. Member for Bolsover (Mr Skinner) for that sedentary intervention.

I did make that statement on sovereignty in relation to the EIO. We are opting in to the draft directive, over which there will be negotiations in the coming months. However, I said what I said because the order and the directive are not about sovereignty moving to Europe, but about making a practical step of co-operation to ensure that it will be easier for us not only to fight crime, but crucially, to ensure that justice is done.

Kate Hoey (Vauxhall) (Lab): I am disappointed but not surprised by the Government's decision to opt in to the EIO. I was a Home Office Minister some years ago, and even then officials tried to push all kinds of things, by which more power was taken away from this country. Following the Secretary of State's previous answer, is she saying—let us let the public know the truth—that once we opt in, no matter how much we find that it is not working in our interest or that it is costing huge amounts of money, there is absolutely nothing we can do?

Mrs May: I thank the hon. Lady for her question, which shows not only that matters European divide different parties, but that people within the same party take different attitudes. She assumes that opting in to the order will mean extra costs and extra burdens for UK police, but I repeat what I said in response to my right hon. Friend the Member for Wokingham (Mr Redwood): we are talking about codifying arrangements that already exist. We are not suddenly being asked to sign up to something new that has just been plucked off the shelf. The suggestion is for practical co-operation that codifies and simplifies arrangements that already exist and that benefit police forces here in the UK.

Tom Brake (Carshalton and Wallington) (LD): I welcome the statement. It is right that we should opt in to orders that slash bureaucracy, help us fight crime and do not infringe our sovereignty. Does the Home Secretary agree that it is important for her to work not just with her counterparts, but with Members of the European Parliament, to ensure that we strengthen the privacy and human rights safeguards in this order?

Mrs May: I thank my hon. Friend for his contribution, and I hope that we can all work with MEPs to ensure that the directive that we end up with as a result of the negotiations in the coming months does what he suggests—slashes bureaucracy and makes it simpler for our prosecutors and police to ensure that justice is done. In doing that, we are all of conscious of the need to protect civil liberties.

Mike Gapes (Ilford South) (Lab/Co-op): Can the Home Secretary confirm that the proposals that she has made today—which are welcome, and represent a move away from Europhobia—include provisions, in articles 23, 24 and 25 of the Council decision, for intervention on banking transactions? Contrary to what the hon. Member for Stone (Mr Cash) implied, that is important in order to stop international organised crime.

Mrs May: The hon. Gentleman makes the important point that the European investigation order will be a help to UK police forces and others across the European Union in tackling what we all agreed only yesterday is an important issue that should be given a greater focus—serious organised crime.

Alec Shelbrooke (Elmet and Rothwell) (Con): May I urge my right hon. Friend, when she deals with the detail of these proposals, to ensure that these powers will apply only to common criminality between one country and another? For example, France has just banned the wearing of the burqa, which is a very un-British thing to do. Can she assure the House that if someone in this country used our freedom of speech to criticise that move, the French authorities would not be able to come here and arrest that person?

Mrs May: I think that my hon. Friend refers to the issue of dual criminality between member states, which is already provided for in relation to certain measures in the directive, especially coercive measures that might be taken as a result of the European investigation order. I can assure him that the issue of dual criminality is very much on our minds.

Chris Bryant (Rhondda) (Lab): May I warmly thank the Home Secretary for adopting this sensible, pragmatic and pro-European policy? I look forward to sending her a membership form for the European Movement. One of the problems that many UK police forces have

[Chris Bryant]

had is tracking down child pornography and paedophile rings across Europe. Can she confirm that these proposals will go some way to helping police forces track down those people?

Mrs May: Now I am really worried!

Detection of various crimes, and the tracking down of the perpetrators, relies on cross-border co-operation. The point of the EIO is that it will assist such co-operation and, crucially, it will enable evidence to be gathered in a timely fashion. We already have examples— not in the sort of cases to which the hon. Gentleman refers, but in drug trafficking—in which the evidence has arrived only after the end of the trial.

Mr Peter Bone (Wellingborough) (Con): I thank the Home Secretary for her statement to the House—it is much appreciated. Does she share the concerns of some Back Benchers that during proceedings on the Lisbon treaty—when we were in opposition—loss of sovereignty was often described as just a "practical measure"? That phrase crept into her statement, too, and I would be grateful for reassurance that that is not the case.

Mrs May: I am trying not to make too much of a habit of making statements in the House—although there have been a few Home Office statements recently. I recognise my hon. Friend's concern about the use of that terminology. I have looked into this issue and it is indeed a very practical measure. It will simplify, codify and put some time limits on processes that already exist. The MLA agreements are already in existence and are followed up by police forces here requesting evidence from overseas and by police forces overseas requesting evidence from the UK. These proposals will make it much easier to undertake that process in a timely fashion so that the evidence is available for both prosecutors and defendants in their trials.

Chris Leslie (Nottingham East) (Lab/Co-op): May I congratulate the Home Secretary on the bravery that she has shown in taking such a different stance from that of so many members of her party? There are clearly criminals who exploit loopholes across borders, so would she be able to find a way to report to Parliament periodically on any advantages or gains that flow from this collaboration?

Mrs May: Having had my statement welcomed both by the shadow Home Secretary and by the hon. Member for Rhondda (Chris Bryant), and now being described as "brave" by the hon. Member for Nottingham East (Chris Leslie), I am not sure about this.

I am happy to write to the hon. Gentleman with some examples of the existing arrangements working, as well as examples of the problems caused for prosecutors and police by the lack of a timetable such as the one that will be introduced by the EIO.

Claire Perry (Devizes) (Con): The Home Secretary's statement eloquently set out the reasons to welcome this process. However, the words "opt in" and "European directive" send shivers down many backbones in my constituency. Only today I heard from a constituent about the 256 European arrest warrants referred for mediation last year, presumably at a cost of untold millions to European taxpayers. Can the Home Secretary assure us that she and her team will scrutinise the detail of this directive to ensure that it is operationally more effective than the European arrest warrant system?

Mrs May: I can indeed assure my hon. Friend that we will look closely at the detail of this. The intention is to make it easier for prosecutors and police—and the defence—to obtain the evidence necessary for trials. She mentions the European arrest warrant, but as I said earlier, the EIO is entirely separate.

Andrew Percy (Brigg and Goole) (Con): The problem with the argument that this is simply a simplification of existing arrangements is that that argument was put forward by Labour Ministers when they were pursuing the Lisbon treaty. That is why many of us are concerned about this and will continue to believe, as we said in opposition, that it demonstrates a relish for surveillance and a disdain for civil liberties. What impact will this order have on our DNA and fingerprint databases? Will forces from Europe be able to access those databases, and if so, what will happen if the person whose DNA they have accessed proves to be innocent? We would wipe that database after a period of time, but what would be our relationship with our partners in Europe?

Mrs May: I can, I hope, reassure my hon. Friend on his second point. Under the data protection arrangements in the European Union, DNA samples could be held by another member state only for the same time as they can be held here in the UK. That opens up another argument about why the Government intend to change the arrangements for the DNA database and do not want to hold the DNA of innocent people for significant periods, as the Labour Government did.

Henry Smith (Crawley) (Con): My right hon. Friend talks about the proportionality test that will be applied, but who will write the rules of that test? Will it be by negotiation among EU countries or will it be the UK Government? And who will adjudicate that?

Mrs May: The proportionality test is something that we intend to negotiate with other member states from the point of opt-in to the point at which the text of the final directive is determined.

Jacob Rees-Mogg (North East Somerset) (Con): As the final text will be determined by qualified majority vote, how may we be certain that we will not cede powers to Europe? Does the Home Secretary recall the words of a great and noble lady who, when Europe was trying to snatch powers, once said from that very Dispatch box, "No, no, no"? Is not that a much preferable way in which to approach a further European grab?

Simon Hughes (Bermondsey and Old Southwark) (LD): "No, no, no" is the answer.

Mrs May: I am tempted, but I will avoid falling into that trap.

In the coming months we will be negotiating the final text of the directive with other member states. The early indications, from discussions with other member states,

are that our concerns about the parts of the directive where we think that the drafting is not perfect, and more can be done, are shared by other member states, which is why we are confident we can arrive at a text that meets all the requirements that we want to set out. But is my hon. Friend really saying that he wants us to hamper the efforts of our police to bring people to justice and fight crime? I sincerely hope not. This measure will help the police to ensure that justice is done and crime beaten.

Mark Reckless (Rochester and Strood) (Con): I am grateful to my right hon. Friend for coming to the House, and I have been working hard to try to understand the Government's position on this matter. However, I did not understand fully, from her statement, whether European authorities will not be able to order an investigation. Surely, the EIO does what it says on the tin, and allows European prosecutors and police to order an investigation here.

Mrs May: I will try to explain it to my hon. Friend. We already have agreements—the mutual legal assistance agreements—that enable the police force in the UK to ask other police forces in European member states to gain evidence that will be of use and benefit in taking cases to court and in providing evidence. There is also a reciprocal arrangement for other member states to ask our UK police forces to undertake similar evidence gathering. The EIO will simply put that on a timetable and simplify the processes. Currently a number of instruments can be used, but they are complex and confusing to those who use them. The EIO will simplify them into a single instrument and put a timetable on the process, which is why it will be of benefit to the police and prosecutors.

Michael Ellis (Northampton North) (Con): Does the Home Secretary agree with me, and with the police, that the directive will serve to speed up complex investigations, and should therefore help to keep criminals off the streets? Does she also agree that to do so would benefit British society as well as European society?

Mrs May: I absolutely agree with my hon. Friend's point. In response, I would simply cite a case of drugs trafficking that was drawn to my attention in which the failure to execute an MLA request resulted in a misleading picture being presented to the jury of the strength of the prosecution case. As a result, evidence that might have exculpated the UK defendant was not available in time for the trial. That case alone explains why we want to sign up to the EIO.

Mr James Clappison (Hertsmere) (Con): May I congratulate my right hon. Friend on coming to the House to make this statement? It is no fault of her own, but nevertheless deeply unfortunate, that neither the European Scrutiny Committee nor the House of Commons has had the opportunity to consider this document. I urge her, when she comes to consider the detail of this proposal and future proposals of the same nature—which I believe may well appear—to be on her guard against the undoubted attempts of certain quarters in the European Union to build a common European judicial and legal system, and to use any means to hand as a building block towards that purpose. Will she be on her guard against that? In those circumstances, I believe that she would indeed be capable of saying, "No, no, no."

Mrs May: I can assure my hon. Friend that I will be on my guard, as will other members of the Government. We have made it clear that we are considering on a case-by-case basis all issues arising under the justice and home affairs remit of the EU. As I have said to the House, I believe that in this particular case it is in the national interest to opt in, but on other occasions we will opt out. So we take the issue that he raised very seriously.

Points of Order

1.54 pm

Mike Gapes (Ilford South) (Lab/Co-op): On a point of order, Mr Deputy Speaker. I seek your advice. Recently, I tabled a series of questions to the Home Secretary about the work of the UK Border Agency, and yesterday I got a reply from the Immigration Minister refusing to place in the Library of the House copies of the guidance and directions issued to UK Border Agency International Group staff about visit visas, on the basis that this information is "best viewed online". May I request, Mr Deputy Speaker, that you speak to the Home Office and instruct it to be more co-operative with Members, so that information can be made available in the Library?

Mr Deputy Speaker (Mr Lindsay Hoyle): That is not a point of order, but it is now on the record.

The Minister for Immigration (Damian Green): Further to that point of order, Mr Deputy Speaker. I try as hard as I can to be as helpful as possible to the hon. Member for Ilford South (Mike Gapes) and others. He can, of course, go into the Library, go on to the net and view it online, if he wants to.

Mr Deputy Speaker: I thank the Minister for that reply, although I do not think it was quite what the hon. Gentleman wanted. However, it is now on the record. He feels that he should have been given the information directly, and I am sure that that can be looked at again.

Bob Russell (Colchester) (LD): On a point of order, Mr Deputy Speaker. Yesterday, at questions to the Leader of the House and to the House of Commons Commission, on the subject of early-day motions, the right hon. Member for Delyn (Mr Hanson), who is in his place—I advised him that I would be raising this point—gave a very helpful response on why early-day motions should be debated. However, he then observed that in 18 years he had not known an EDM to be debated. May I put it on the record that on 8 December 2009, as is recorded in column 154 of *Hansard*, early-day motion 1—an excellent motion in my name—was debated for nearly three and a half hours and voted on by 530 MPs? So EDMs do find their way on to the Floor of the House, although I agree with him that more should be debated.

Mr Deputy Speaker: As someone who used to put down many EDMs, I have great sympathy with the hon. Gentleman's point, and I thank him for his clarification. I am sure that the House appreciates it.

Andrew Rosindell (Romford) (Con): On a point of order, Mr Deputy Speaker. You might recall that 20 years ago this week, the then hon. Member for Eastbourne, the late Ian Gow, was murdered by the Provisional IRA. He was a magnificent Member and somebody who, I believe, should be recognised permanently in the same way that Airey Neave is recognised. Mr Deputy Speaker, will you take that point back to Mr Speaker to see whether a permanent memorial can be granted in the memory of Ian Gow, the former Member for Eastbourne, who was murdered on 30 July 1990?

Mr Deputy Speaker: I will raise that point with Mr Speaker. It is on the record, so he will be able to read it as well.

Dog Control and Welfare

Motion for leave to bring in a Bill (Standing Order No. 23)

1.58 pm

Andrew Rosindell (Romford) (Con): I beg to move,

That leave be given to bring in a Bill to repeal the Dangerous Dogs Act 1991; to require the introduction of compulsory microchipping of dogs; to make provision relating to the welfare of dogs and public safety around dogs; and for connected purposes.

I have chosen to bring this subject before the House for three reasons: first, and perhaps most notably, because I am a passionate animal-lover. I feel very strongly that the animal kingdom, with which we share this planet, deserves the highest level of care and respect that we as human beings can give. Secondly, I believe that those who choose to own a pet have a certain responsibility that comes with that privilege. In the case of dogs, this responsibility is twofold—the welfare of the animal and the duty to ensure the safety of others through proper control. Finally, over the past three years, I was proud to serve on Her Majesty's Opposition Front Bench, in the Home Affairs team, as shadow Minister with responsibility for animal welfare. In that role, I had the opportunity to work closely with dog welfare organisations and people throughout the country who work, day in, day out, dealing with issues surrounding the control and welfare of dogs, and who have a real and genuine understanding of how we can help to solve some of the issues relating to dogs in society today.

Last year, dogs overtook cats to become the most popular choice of pet in the United Kingdom. Before you call me to order and ask me to declare my interest in the matter, Mr Deputy Speaker, I should say that I am, of course, the owner of dog—a Staffordshire bull terrier called Buster. You will be relieved to know, Sir, that dangerous he is not, but microchipped he certainly is.

In recent years, the issue of dangerous dogs has taken on increasing significance. Inner-city areas in particular are being blighted by the intimidating sight of individuals and gangs brandishing dogs that have been deliberately trained to produce the most aggressive demeanour possible. Having dealt with the matter as the shadow Minister with responsibility for animal welfare, I fully appreciate the prevalence that the issue of dangerous dogs has with a disturbingly wide proportion of the general public. The number of complaints received by the Royal Society for the Prevention of Cruelty to Animals concerning "status" and dangerous dogs has increased twelvefold. On average, there are now 100 cases every week of people being admitted to hospital as a result of a dog attack. It would be no exaggeration to claim that what we are now seeing is a national calamity, in terms of both public safety and animal welfare. As a result, it is clear that the current legislation has failed on an epic scale. There is now a huge public desire for renewed laws that address the problem, with owners properly held to account.

The Dangerous Dogs Act was introduced in 1991—yes, by a Conservative Government—but it has obviously failed adequately to achieve what it set out to do. A key feature of the Act, contained in section 1, is a ban on the breeding, sale and ownership of specific types of dogs. However, it is not good enough to select a handful of breeds, based on their potential demeanour, and assume that simply eradicating them from society will dismantle the culture that they are bred from. That is an approach that takes no account of the behaviour or intentions of the criminals on the other end of the lead. Indeed, the real issue to be tackled is the behaviour of the owners. Any dog can be dangerous and cause harm; it is how the animal is reared and trained that matters most of all. That is why the current, breed-specific Dangerous Dogs Act does not work and should be repealed.

My Bill would shift the legislation towards acknowledging the concept of "deed, not the breed". By moving the focus to the specific actions of irresponsible owners, we will be able more effectively to identify and tackle the root causes of such criminal activity. In short, we should be scrapping the breed-specific approach and affording police or other authorised persons much greater discretionary powers in deciding whether a dog poses a threat to the public.

The other key failure of the current legislation relates to dogs that are dangerously out of control. As the legislation stands, such attacks are classified as criminal offences only if they occur either in a public place or where the dog is not permitted to be. However, the reality is that many attacks take place on private property. My Bill would extend the law to cover attacks on all property, allowing the police to investigate such offences and for prosecutions to be considered. I should also like to stress the failure of the current legislation in taking a preventive approach. We need to be able to deal with dogs suspected of being dangerous by imposing controls. My Bill would introduce a system of dog control orders where there is reasonable cause to believe that a dog is not under sufficient control and poses a potential threat to the public.

I am a fervent supporter of identification as a means of providing all dog owners with a simple, cheap and effective way of significantly enhancing both the safety and security of their dogs, and the legal accountability that they hold for their behaviour. Methods of permanent identification—most notably microchipping—are already exploited across the country by veterinary centres, charities and shelters, and, of course, individual owners and families. It is estimated that currently around a third of all dogs in the United Kingdom have been microchipped, which has contributed to a tremendous increase in the proportion of stray and stolen dogs being successfully identified and returned to their rightful owners.

My Bill would introduce permanent identification as a compulsory measure for all dogs bred in the United Kingdom. That would be phased in over a period of time and would apply only to new litters. Microchipping is a far cry from the old system of the dog licence, abolished in the 1980s, which required bureaucracy and the administration of excessive paperwork on the part of local authorities. The benefits of introducing compulsory identification—as a means of reducing everyday dog attacks, returning lost, stray or stolen dogs to their owners, and easing the burden on local authorities and dog wardens—are clear. Essentially, we would be dramatically enhancing the ability to make dog owners legally accountable for the actions and the welfare of their dogs. That alone would solve so many of the problems that we face in dealing with the control and welfare of dogs. However, I say this to the Government:

[Andrew Rosindell]

please do not allow concerns about databases and anti-ID card thinking to block what is a practical, common-sense solution. Linking a dog to its legal owner by using a microchip is not an infringement of civil liberties; it is simply the same as having a number plate on a car.

I would also like to take this opportunity to recognise the dedicated work undertaken on the issue by those organisations with which I have worked in recent years. Were it not for the invaluable research and campaigning of the Dogs Trust, the Kennel Club, the RSPCA, Blue Cross, Battersea Dogs and Cats Home, Vets Get Scanning, Speaking Out For Animals, the Retired Greyhound Trust and many others, these matters would not be receiving anything like the level of attention that they are receiving today. I pay tribute to them all.

Promoting and encouraging dog control and welfare is not simply about state intervention; it is about encouraging those who seek or hold ownership of dogs to do so responsibly, in such a way that benefits the welfare of the animal and continues to ensure maximum public safety. However, the law must underpin that, allowing an individual to own a dog while also making them responsible for its control and well-being. Freedom with responsibility is something that I as a Conservative believe in very strongly. The freedom to choose to own a dog must go hand in hand with the responsibility that goes with it. That must surely be the right approach of a Conservative-led Government. I commend my Bill to the House.

Question put and agreed to.

Ordered,

That Andrew Rosindell, Angie Bray, Mr Andrew Turner, Stephen Metcalfe, Martin Horwood, Glenda Jackson, Mr David Lammy, Angela Smith, Mr Jeffrey M. Donaldson, Daniel Kawczynski, Zac Goldsmith and Dr Thérèse Coffey present the Bill.

Andrew Rosindell accordingly presented the Bill.

Bill read the First time; to be read a Second Time on Friday 17 June 2011, and to be printed (Bill 65).

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

POLITICAL PARTIES, NORTHERN IRELAND

That the draft Control of Donations and Regulation of Loans etc. (Extension of the Prescribed Period) (Northern Ireland) Order 2010, which was laid before this House on 30 June, be approved.—*(Angela Watkinson.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

ELECTRICITY

That the draft Electricity and Gas (Carbon Emissions Reduction) (Amendment) Order 2010, which was laid before this House on 14 July, be approved.—*(Angela Watkinson.)*

Question agreed to.

Backbench Business

[2ND ALLOTTED DAY]

Summer Adjournment

2.9 pm

Natascha Engel (North East Derbyshire) (Lab): On behalf of the Backbench Business Committee, I beg to move

That this House has considered matters to be raised before the forthcoming Adjournment.

This is the second time that we have had a debate on the Floor of the House that has been chosen by the Backbench Business Committee. We have chosen to keep the pre-recess Adjournment debate format, mainly because we have had so many insistent representations from colleagues to retain it. As Mr Speaker mentioned earlier, about 50 Members have put down their names to speak, and the Chamber is very full. This is a rare opportunity for Members to debate issues that they have not been able to raise elsewhere, either because they have not been called to speak in a debate or because they have been unsuccessful in securing an Adjournment debate.

The Backbench Business Committee believes that the pre-recess Adjournment debate could be improved, however, and we hope that the Deputy Leader of the House will commit to ensuring that those Members who want one will receive a substantive reply from the relevant Government Department. The Committee will also consider changes to the format of these debates, and we welcome any suggestions for improvement. With that, Mr Deputy Speaker, I wish you and everyone else in the House a relaxing and enjoyable recess.

Mr Deputy Speaker (Mr Lindsay Hoyle): May I remind hon. Members that there is a limit of eight minutes on speeches in the debate?

2.11 pm

Mr David Amess (Southend West) (Con): I should like to raise a number of points before the House rises for the summer recess. I should also like to congratulate the Chairman of the Backbench Business Committee, the hon. Member for North East Derbyshire (Natascha Engel), on her wonderful decision.

I make my remarks against the background of an extraordinary general election result. There are not too many Members of Parliament left who were elected on the same day as Tony Blair and the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown), and there are now 232 newly elected Members of Parliament. I want to say to colleagues in all parts of the House that I hold Tony Blair entirely responsible for the way in which this Parliament—the mother of all Parliaments—has been diminished, and for the way in which I believe he misled us over the war with Iraq. I hold the right hon. Member for Kirkcaldy and Cowdenbeath responsible for taking away the historic duty of the Bank of England to regulate the financial market. Against that difficult backdrop, I wish to raise a number of points.

The first is the plight of fishermen in Leigh-on-Sea, an historic fishing village in which 28 families are still involved in fishing. Sadly, because their boats are in the 10-metres-and-under category, they are experiencing a

crisis because their quota has been exhausted. They fish for cod, but I am advised that if negotiations were to lead to the granting of a quota of 0.5 tonnes per boat for sole, skate and cod from September until the end of the year, fishing would continue to thrive and prosper in Leigh-on-Sea. I am supported in this by my right hon. Friend the Member for Rayleigh and Wickford (Mr Francois) and my hon. Friends the Members for Rochford and Southend East (James Duddridge) and for Castle Point (Rebecca Harris).

My next point is about myalgic encephalopathy, or ME. This debilitating illness is very hard to diagnose, and a number of my constituents have found it difficult to get benefits following a diagnosis. Following their work capability assessment, ME patients are often described as ineligible for the correct benefit. I hope that the Deputy Leader of the House will have a conversation with the relevant Department to ensure that ME sufferers are not disadvantaged when claiming disability living allowance.

Last year, I raised with the then Prime Minister the plight of my constituent, Julie Ditchburn. She was living with a gentleman who was not treating her and the children terribly well, and she left the family home and brought the children to this country. Under the terms of the Hague convention, however, the children were ordered to be taken away from her. These were very distressing circumstances, and the children are now back in Spain. It would be wonderful if the Deputy Leader of the House could have a word with my right hon. Friend the Foreign Secretary to see whether our consulate there could be a bit more helpful than it is being at the moment, as I was told it would be some months ago.

I shall move on to the plight of my constituent, Tinashe Sahanga, who came to the United Kingdom from Zimbabwe with his mother, brothers and sisters in 2000 when he was 16 years old. Quite extraordinarily, he has still not been granted leave to remain here. Sad though some colleagues might consider it, I watch the BBC Parliament channel, and on it I saw the lady who is in charge of these matters, Lin Homer, saying that she was determined to be proactive in helping Members of Parliament whose constituents were experiencing difficulties such as these. I appeal again to the Deputy Leader of the House to pass on my concern about the plight of my constituent, Tinashe Sahanga.

My next point is about Southend airport. Under the present Government, this problem would probably not have arisen. Permission has been granted for the expansion of the airport, and that is upsetting a number of my constituents. I have now launched a petition to the European Parliament, and I hope that it will look carefully at my constituents' concerns about noise and pollution.

Many hon. Members receive complaints from their constituents about their cars being clamped. Certain organisations are clamping cars, and my hon. Friend the Member for Rochford and Southend East has even been threatened by one of these enforcement companies. They impose fines of £400 or £500, which is just outrageous. These people seem to be outside the law. I ask the Deputy Leader of the House to have a word with the appropriate Minister, to see whether anything can be done about this.

A week ago, I visited the wonderful Southend campus of Essex university, which was opened by Princess Anne in 2007. Student facilities will be opening there shortly, and 561 rooms for students will be available. I hope that, in these challenging times for seaside resorts, Southend will be seen as an attractive place in which people can advance their studies.

I also pay tribute to the YMCA, which is doing marvellous work locally, and I hope that the Deputy Leader of the House will give it whatever encouragement he can.

I was delighted to learn from my right hon. Friend the Home Secretary that she is looking at the issue of policing. It seems somewhat perverse that, according to a report published last week, front-line police officers spend more time off work than on duty.

I am also delighted that Eastwood school in my constituency has facilities that would very well suit one of the smaller visiting teams in the Olympic games. I had the great privilege of chairing the Committee proceedings of the Olympic games legislation. The games are now just two years away. I understand from friends in China that there is a wonderful exhibition in Shanghai at the moment. Perhaps in two years' time, a similar opportunity will arise for the new Olympic games centre.

I know that a number of colleagues want to make their maiden speech today. I want to take this opportunity to wish everyone a very happy and well-deserved break during the summer recess.

2.18 pm

Mr Dennis Skinner (Bolsover) (Lab): I could speak about all the problems with the coalition, but there are two pressing cases in my constituency that I need to air.

First, I want to explain that the Bolsover constituency used to have 12 pits and about 20 textile factories. In the 1980s and 1990s, all those pits went. They were closed by the previous Tory Government. The textile factories, by and large, followed suit, mainly because Marks & Spencer and one or two other big stores decided to have all their goods made abroad. The net result was that unemployment in the Bolsover area, and in north Derbyshire generally, rose to more than 15% in the pit villages. We had a lot of work to do, and when the Labour Government came in—contrary to what the hon. Member for Southend West (Mr Amess) said—the truth is that we managed to start regenerating the area.

Instead of leaving the pit tips there, we cadged the money from the previous Prime Minister—then the Chancellor of Exchequer—to flatten them and turn them into areas where work could be provided. The factories were not the same and the money was not the same as it was when people were working in the pits. The truth is that we needed a lot of factories to make up for the several thousand miners and the many textile workers who had been thrown out of work. This was a deprived area without any doubt, so we had to do a lot of cadging of money in that context.

When Building Schools for the Future came along, we were naturally very pleased. We thought, "Here we are: we can get about four or five schools, some of them very old, rebuilt and provide some work for all those people". The private sector would have been involved as suppliers for Building Schools for the Future and other schools in Britain. When the public sector is culled, it creates misery for the private sector—that is roughly it.

[Mr Dennis Skinner]

Two or three schools were included in the programme, and Bolsover had its completion date only a fortnight ago.

When the Secretary of State made his statement to cancel 700 Building Schools for the Future projects, Members can imagine my horror when I heard that Tibshelf community school was not included in the list of projects that will go ahead. Looking at the website is enough to make you cry. I shall quote what came out in July 2010 on the Tory-controlled Derbyshire county council website. It is almost unbelievable:

"This is an immensely exciting time in the history of Tibshelf School. The Building Schools for the Future (BSF) programme for Derbyshire is arriving just as the school is preparing to celebrate its centenary... The plans for the new school are developing nicely"—

this is in July this year—

"and have been shared with the whole community. From September 2010 the Tibshelf family will grow to include not only the villages of Tibshelf, Newton, Blackwell, Westhouses and Hilcote, but also Holmewood, Heath, Morton and Pilsley"—

the latter in the constituency of my hon. Friend the Member for North East Derbyshire (Natascha Engel).

Why did it say all that? Because not only was Tibshelf going to have its brand-new school; it was to be even bigger than we originally thought because it was going to take over Deincourt school in North Wingfield in my hon. Friend's constituency. The result would have been that even more pupils could attend and a new Deincourt primary school would be built. The ripples were rolling right across to the county council, which was excited by it. The truth is that the Secretary of State kyboshed all that in a second when he decided that Tibshelf was not going ahead. There we are, then, for a school that is celebrating its centenary next year.

Tibshelf did not get on the first list; it did not get on the second list; it did not get on the third, fourth or fifth lists. I am pleading with the Secretary of State to make sure that this school is included—not only because of the deprivation in the area and because the project provides work, but because the educational facilities needed for this wonderful sports college are so important. What has happened not only affects Bolsover, but creates problems for the kids in Deincourt and elsewhere. Deincourt school is due to be demolished in the next few weeks. It was to have a complete rebuild. Those children will have no school to go to unless we can change this decision.

Let me finish the first part of what I want to say today by calling on the Secretary of State in respect of this matter. I am pleased that my hon. Friend the Member for North East Derbyshire mentioned that we should get answers. I want to know whether the Secretary of State will meet us when we come back in September; then we can bring down to this place the headmaster, officers of the Derbyshire education authority and others to get this decision reversed.

The second issue I want to raise is Bolsover's prefabricated bungalows. Like many others up and down the country, they were built after the second world war. We did not have the materials or the money then—by God, we certainly did not have the money—so these prefabs were built. A lot of people thought they would not last very long, but they were wrong because the prefabs were built pretty well. Then we cladded around them in many constituencies up and down Britain and we managed to give them a new lease of life. That is why houses built in about 1948 or 1949 were able to last right through to 2000 and beyond.

Sadly, however, in the past few years, the foundations have begun to collapse. In my constituency, there are 108 of these buildings, and pensioners are living in every one of them. They are in Bolsover, a deprived area, and in villages such as Langwith Junction and New Houghton. Pensioners in these areas are now living in fear, as some of these dwellings have been shut down. There are 40 in one village and about 15 have already been closed. Can Members imagine what the conditions are like for people when houses next door to them and peppered around them are closed?

Again, then, I am asking for a meeting with a Minister. When we met the Labour Housing Minister, my right hon. Friend the Member for Wentworth and Dearne (John Healey), he did not give us a letter saying that the money was all gone. My right hon. Friend said to us: "Here is the money. Start the programme of rebuilding the prefabricated houses. Give the pensioners a chance to live in some decent accommodation." So we took the money and we thought we were going to start after the election. Then, we got the response from the Secretary of State for Communities and Local Government that he is not prepared to find that money any more. We are asking for a meeting with him in order to get those houses built to provide people with work and—

Mr Speaker: Order. Time is up, I am afraid. We are grateful.

Several hon. Members *rose*—

2.46 pm

Priti Patel (Witham) (Con): May I say how delighted I am, having sat in the shadow of so many excellent maiden speeches over the past two and a half months, to have at long last the opportunity to make my own debut, my maiden speech, as a new Member of Parliament in this august House of Commons? I add that I am conscious of the significance and importance of today's Adjournment debate to all our colleagues in the Chamber, so I am grateful to have your indulgence, Mr Speaker, and that of the House and all colleagues this afternoon as I make my debut.

It brings me genuine joy to pay tribute to my four predecessors. Thanks to the creativity of the Boundary Commission, the new and unique Witham constituency comprises three very distinct areas of the county of Essex. It was represented in the previous Parliament by four most distinguished Members of Parliament. I forewarned them that I was making my debut and I suspect they felt that I might make them blush—hence their absence.

First, I pay tribute to my hon. Friend the Member for Braintree (Mr Newmark). He has served the town of Witham, from which my constituency takes its name, and many of the surrounding communities with tremendous distinction and care. I also pay a personal tribute to my hon. Friend the outstanding Member for Harwich and North Essex (Mr Jenkin), who has not only bequeathed me some of the most beautiful swathes of the Essex countryside, but served those parts of my constituency with enormous distinction and in a way that has won him many friends in the local area.

It is also an honour to pay tribute to my hon. Friend the Member for Maldon (Mr Whittingdale). Mr Speaker, I was at one stage considered to be somewhat to the right of the political centre—until, that is, I inherited some of my hon. Friend's local Conservative party activists! My hon. Friend is nothing short of a colossus locally, and his advice and opinions are greatly sought. He has represented the local areas that now fall into my constituency with great gusto, forthright views and conviction, which I look forward to emulating.

Last but not least, I would like to pay a most sincere tribute to my coalition colleague, the hon. Member for Colchester (Bob Russell). He has quite rightly developed a reputation as an assiduous constituency Member of Parliament and I am aware that the area I have inherited from him—the ward of Stanway—has come to expect a first-class service from their Member of Parliament, and I intend to keep it that way.

As I said earlier, my constituency is a new one. Standing at over 130 square miles, it covers areas from the districts of Braintree, Maldon and the borough of Colchester. In previous guises, the constituency has also been in part represented by a number of our most distinguished parliamentarians. The two most notable were Lord Newton of Braintree and Lord Wakeham. Speaking personally, I cannot pay sufficient tribute to Lord Newton, who, wherever I go in my constituency, is spoken of with such genuine warmth, affection and sincerity owing to his years of public service and dedication to what was then the Braintree constituency. It is fair to say that I have a truly tremendous local legacy.

At the heart of my new constituency is the historic market town of Witham, which is surrounded by a significant number of villages and hamlets. Witham's history and buildings date as far back as the Domesday book, and the town is well known for its wealth of 16th-century timber-frame buildings, for its distinctive town hall, and, now, for the more modern developments that define the town. My constituency is also home to well over 40 villages and hamlets, including Hatfield Peverel, Coggeshall, Wickham Bishops, Kelvedon, The Notleys, Woodham, Totham, Marks Tey, Tollesbury and the village of Tiptree. I should like to think that hon. Members have already familiarised themselves with Tiptree's most famous produce while having their morning tea and toast, as the village is home to the orchards and the factory producing the world-famous Wilkin and Sons Tiptree jam.

Witham is also a constituency where small businesses, enterprise and traditional high streets matter. Local entrepreneurs and businesses support 83% of jobs in Witham, compared with the national average of 68%, and 25,000 people and their families depend on the prosperity of those businesses. In my view—and as they tell me—those businesses need a fair and flexible labour market and a competitive and low-tax framework to provide jobs and prosperity.

My own deep and personal interest in what I call the economics of enterprise and small business stems from my family background. My parents arrived in Britain from Uganda with literally nothing, and, like the thousands of British Asians—and also the many Patels—who arrived in Britain in similar circumstances at that time, they relentlessly pursued the path of pure hard work in order to get on in life. By working long hours and by saving their hard-earned money, my parents were able to buy their first business—what else but a newsagent's? As a result, my youth was literally spent sleeping above the shop and playing directly under the till, while watching my family—thanks to the free-market policies of Margaret Thatcher—thrive and grow. Wherever my parents set up shop, they employed local people, contributed to the local community, and made a substantial contribution to the local economy.

I speak from personal experience when I say that the impact of the last Government's policies on enterprise and small business was simply devastating. I saw at first hand the ever-growing burdens of the state encroach on our livelihood and sap our ability to function as a business, let alone support our local community by providing employment and much-valued local services. The excessive regulation from central Government stifled every ounce of the very entrepreneurial flair that once led Napoleon to describe our great country as a nation of shopkeepers.

I should like to think that the Witham constituency was a hotbed of Patels, but alas, not yet. None the less, I am proud to represent a constituency of entrepreneurs whose businesses create jobs and prosperity throughout our high streets, villages and towns. The Witham constituency is a place where the unique and unyielding ingenuity of the British people to create opportunities and prosperity is found in abundance. Nowhere is our reputation as a nation of shopkeepers and free-market entrepreneurs more apparent than in Witham, and while I am a Member of this House I will stand by the businesses on which my constituents depend and which, of course, make my constituency such a dynamic place to represent.

I believe that our country is at its strongest when it promotes the spirit of enterprise, the values of hope and aspiration, and the desire to get on in life. That is why I am certain that this Government's priority of lower corporation tax, providing incentives for small business, abolishing Labour's tax on jobs, and ending the over-zealous bureaucracy that has strangled our small businesses will enable this country to flourish again.

I am grateful to you, Mr Speaker, and to the House for enabling me to make my maiden speech, but my greatest thanks go to the good-natured and hard-working people of Witham for electing me. I pledge that I will never shy away from representing them and being a strong voice for them in the House.

2.34 pm

Mr David Crausby (Bolton North East) (Lab): I want to express my concern about the development of the Princess Anne maternity unit at Royal Bolton hospital. The creation of a new regional baby supercentre at the hospital was announced in August 2007. Construction work on the expansion began in September 2009, and is due to be completed by the end of 2011. Royal Bolton hospital won the bid in competition with other hospitals, and we were naturally delighted in Bolton.

The care that the NHS delivers throughout our lives and during the period that leads to our death is priceless, but nothing can be more important than the start that our children are given in life, and quality maternity services can make an important difference in that regard. The development was welcomed by the whole region

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because it was designed to raise maternity services to another level. The state-of-the-art supercentre was designed to provide extra delivery rooms, new high-dependency beds, new intensive-care and high-dependency cots, new beds for antenatal and post-natal wards, new on-site overnight facilities for parents, and the best equipment possible to provide care for our sickest babies. Twenty million pounds were invested to make all that happen and 400 jobs were to be created in the town, not just for the benefit of Bolton but in the interests of parents and children throughout Greater Manchester.

Chris Bryant (Rhondda) (Lab): I am sorry to interrupt my hon. Friend, but he may not have realised that the hon. Member who spoke before him was making a maiden speech. I am sure that he would like an opportunity to congratulate her on a very fine speech.

Mr Crausby: I am sorry, Mr Speaker. It is a real privilege to follow the hon. Member for Witham (Priti Patel). I am grateful to her for inciting that intervention, because it has given me another minute in which to speak, but I also congratulate her on what was indeed an excellent maiden speech.

The decision was made after the extensive making it better review of maternity services. Doctors, nurses, midwives and specialists were consulted throughout, and 12 primary care trusts, 12 hospitals and 12 local authorities were directly involved in the process. Thousands of information leaflets were distributed across the region. Workshops were held with members of the public, and a citizens' council, a maternity council, NHS managers, doctors and nurses were all involved. The level of public consultation was unprecedented, with more than 242,000 people sharing their views by means of formal responses, petitions and public meetings. At all stages, the focus was on making the necessary changes to provide the best possible care for patients.

It was decided to replace the 12 centres in Greater Manchester with eight centres of excellence, with three supercentres providing neonatal care. The higher standard of care provided by the new structure and concentrated resources would mean that more premature and sick babies would survive, and fewer parents would be turned away owing to staffing problems. It was estimated that between 30 and 50 lives a year would be saved. The move from 12 to eight centres was never going to be easy—it was bound to arouse strong and emotional local protest—but in this case it was the right thing to do, because it was in the interest of better-quality maternity services throughout Greater Manchester.

The problems started when the general election campaign arrived. Along came the then shadow Secretary of State for Health—the current Secretary of State, the right hon. Member for South Cambridgeshire (Mr Lansley)—campaigning in Bury, Rochdale and other Greater Manchester constituencies. He was clearly a man in pursuit of votes and popularity, and he was going to get what he wanted by promising to keep all the maternity units open. In doing so, however, he was completely undermining the making it better scheme in a naked attempt to win Conservative target seats in Greater Manchester. He must have known—if he did not, he certainly should have known—that this money was being provided to fund the supercentres and the improved facilities for the benefit of everyone only because the available resources were being sensibly concentrated. What he said in one town alongside a prospective Conservative candidate was being denied in other towns. Eventually, however, under pressure, the then shadow Secretary of State for Health was forced to claim publicly that the Conservatives would keep all the maternity units open and at the same time ensure that Bolton's development and other supercentres would be unaffected.

Things have changed now, of course. The former shadow Secretary of State has lost the shadow part of his title and reality is setting in, but he still provides no explanation as to where the money will come from or what other services will have to be cut as a result of, effectively, his commitment to increase spending on Greater Manchester maternity services. He no doubt hopes that his general election promises will fade into the distance, and in order to try to wriggle out of them he has called for a review of Greater Manchester's maternity facilities. He does so even though the making it better programme had already involved an enormous review and public consultation, so he is simply playing for time. The major question that the Secretary of State must answer is if the centres that were previously due to close are now set to continue, where will the extra funding come from for the centres of excellence and the supercentres?

As a result of my concerns, I raised this issue in a recent Prime Minister's Question Time and the Prime Minister assured me that there were no plans to cancel the improvements to Bolton's maternity unit, but just one week later health bosses were told by the Government that they would have to, again, prove that the improvements are necessary in order to secure the investment.

The Secretary of State for Health and the Prime Minister need to be clear with the people of Bolton and Greater Manchester. The consultation work has already been completed and the most efficient plan put in place with construction and recruitment in Bolton already under way. After more than six years of preparation and investment the entire process is almost complete. Will the Government support the improvement plans as they did during the general election campaign? If not, what alternative do they propose, and how will services be affected and funded?

I have fought hard throughout my political life, but I would never dream of sinking so low as to put at risk the health and well-being of mothers and children for electoral advantage. The Secretary of State for Health has no honourable alternative now but to come clean and stump up the money to deliver what he promised to the people of Bolton and Greater Manchester by fully funding Bolton's maternity supercentre as he said he would.

2.43 pm

Nadine Dorries (Mid Bedfordshire) (Con): First, may I say what a pleasure it is to follow so shortly after my hon. Friend the Member for Witham (Priti Patel)? It is a delight to be speaking in the same debate in which she made her maiden speech. I am sure some of us can remember how terrifying that is, and my hon. Friend did amazingly well.

I want to use this opportunity to highlight the unusual case of an institution that fails people who look to it for protection and help when situations go wrong. I shall mention the names of a number of people and organisations, but there is no court case pending so that is not sub judice.

Many people work hard all their lives, and save hard. Some people may run corner shops or work as self-employed plumbers and save a deal of money, and a time comes in their life when they realise that they want to use that money for their pension or to help them through their later years, so they look to make investments with that money. Some people will use organisations such as investment banks and stockbroker firms, and I want to talk about a particular stockbroking firm with which, in 2007, a number of people decided to invest their life savings. This story is also about the Financial Services Authority. The company took these people's life savings—a number of people's livelihoods were also involved—and within weeks it had all gone.

A trader by the name of Stuart Waldron handled the accounts of these people. He asked all of them to set up a separate e-mail account that he could use for trades only. He then rang particular people and said that the e-mail account was not working and asked for their password. The investors thought that there was nothing unusual in that, because the account was just for trading, so they gave the trader their password. He then proceeded to send messages to and from himself giving instructions on buys and sells. When that became apparent, the FSA became involved and I sent a number of documents to the authority. That was a considerable time ago and I have not yet had a response from it. I e-mailed the relevant inspector at the FSA, Margaret Cole, three weeks ago because I knew I was going to speak about this matter today, but I have not had a reply.

The stockbroking firm is called WorldSpreads, and it operates outside the City of London—surprise, surprise. Therefore, it does not come under the jurisdiction of the City of London police. It appears that the people who run WorldSpreads used to run a stockbroking firm called Square Mile Securities, which was inspected and closed down, although because of its financial situation at the time, it paid a reduced penalty. Those people from SMS who were closed down and had to pay that fine then went on to set up WorldSpreads. The inspector who closed down SMS was Margaret Cole.

WorldSpreads held up its hands and said Stuart Waldron was a rogue trader. My investors decided not to believe that and chose instead to take the case further. They had a meeting with the directors of WorldSpreads, which was recorded. On the recording it is made very clear that Stuart Waldron was not a rogue trader but that the operation was planned—indeed, it was a procedure that the company appeared to carry out regularly.

One key point is that the FSA has so far failed to represent the individuals who have lost their life savings, but there is also a bigger point. I am aware of this group of individuals—I know what has happened to them in their particular case—but how many more stockbroking firms are operating in such a way? How many more individuals are the FSA failing to protect? How many people are walking into a stockbroking firm with their life savings—even as I am giving this speech today—trusting that firm and hoping that there is a procedure behind them and an organisation such as the FSA that will regulate and monitor events and protect them should something go wrong and their life savings are taken away?

I am not being naive in making this speech, and I am aware that financial journalists might want to pick up on this story. If they do so, we would love to know whether Stuart Waldron, who disappeared overnight, is still trading somewhere in the City of London. We have a barrister's statement of case that analysed the whole situation. Unfortunately the case cannot be taken on any further because there is no money left to do so; the people involved cannot fight their corner. If any financial journalist would like a copy of the barrister's statement of case they would be very welcome to it.

It is amazing that an organisation such as the FSA, which is supposed to protect the interests of ordinary hard-working people, should have let people down so spectacularly. It will not be the stockbrokers, the City bankers or the huge institutions that bring about the upturn in this country; it will be the hard-working individuals who set up their own businesses, go to work every day, save as hard as they can and hope that, with those savings, they can look after themselves and their families and see the rewards of their labour. It is an absolute disgrace when organisations such as WorldSpreads try to blame their own misdemeanours, corrupt dealings and failings on one individual, Stuart Waldron, who disappears overnight—paid, we believe.

I hope that while I am giving this speech there is not someone sat in the WorldSpreads offices handing over their life savings, because we will know what will happen to them. We know the pattern: over a number of weeks, those savings will dwindle and suddenly, a situation will occur—perhaps like that involving BP—and the explanation given will be, "We are so sorry your savings have disappeared, but the markets were badly affected by the current situation". That provides the smokescreen for such activities. We know the corrupt e-mails that such organisations send. They depend on the naivety and inexperience of those who do not have the educational background in, or experience of, the financial markets.

I am sorry to have taken the House's time up with this case. I hope that, as a result of highlighting it today, some steps might be taken towards providing justice and to returning some of those people's money to them.

Mr Deputy Speaker (Mr Lindsay Hoyle): I call Graham Jones. I remind the House that this is a maiden speech.

2.51 pm

Graham Jones (Hyndburn) (Lab): Thank you, Mr Deputy Speaker, for allowing me to make my maiden speech, and I congratulate the hon. Member for Witham (Priti Patel) on her maiden speech today.

It is an honour and a humbling privilege to represent Haslingden and Hyndburn in this House. It is a constituency that sits in the impoverished east Lancashire corridor, with its companion constituencies of Blackburn, Burnley and Pendle, some 18 miles north of Manchester. It is a valley littered with the history of a bygone industrial heritage: mill towns that earned Britain great wealth. The demise of "king cotton" has run in parallel with economic difficulty.

My grandfather and grandmother, whom I owe so much and who now reside in a far greater place, would be beaming with pride today. It was family—along with

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the lack of prosperity in the Thatcherite '80s that capped people's aspirations and life chances—who determined my political persuasions. It is the strength and courage of party colleagues that has brought me to this place, and I am eternally grateful for that.

The local government area of Hyndburn was formed in 1974 and makes up six sevenths of the constituency. It constitutes the borough of Accrington and the old urban districts of Church, Clayton-le-Moors, Rishton, Altham, Great Harwood and Oswaldtwistle. Haslingden sits in the Rossendale valley and is a proud market town famous for cotton and textile manufacturing, and for the 19th-century Irish republican leader and parliamentarian Michael Davitt.

My constituency stretches to the rural north, to the place I understand to be a one-party state, known as the Ribble Valley. Parliamentary boundaries do throw up odd surprises. While canvassing the borders of this iron curtain of political difference, I discovered the annexation of several farms whose cherished Ribble Valley postal address—BB7, Clitheroe—now falls within Hyndburn. My predecessor, Greg Pope, still maintains with great certainty that his defeat by a margin of 22,000 in the Ribble Valley constituency in 1987 was all down to rain on the day affecting the Labour turnout.

Having heard the laudable but extravagant claims that were made in the House about the industrial revolution, I feel duty bound to honour the history of my constituency by wresting away the title of the birthplace of the industrial revolution from my hon. Friend the Member for Stoke-on-Trent Central (Tristram Hunt)—he made that claim in his maiden speech; he has a keen eye for history—and from my hon. Friend the Member for Derby North (Chris Williamson).

As we all know, James Hargreaves—a "gobbiner" from Oswaldtwistle—invented in 1764 the spinning jenny, which revolutionised the manufacture and mass production of cotton. By the 1830s, approximately 85% of all cotton manufactured worldwide was processed in Lancashire.

Many maiden speeches—I have listened to a few—shamelessly act as a tourist bulletin for their constituency, and I intend in mine to follow that trend. My constituency is famous for Accrington "NORI" brick—the word "IRON" was painted upwards on the chimneys when it was supposed to be painted downwards; educational standards have obviously gone up since then—which was used in the construction of the empire state building and Blackpool tower. Europe's largest collection of Tiffany glass is also in the constituency.

Of course, there is also Accrington Stanley. The club has risen from bankruptcy and I can inform the House that it is on an assured footing under the stewardship of my friend Ilyas Khan, whose commitment to the club, passion for the area and dedication to the Leonard Cheshire disability charity I must commend.

One cannot mention the constituency without honouring the 11th East Lancashire Regiment, known as Accrington pals. The pals' first day of action was on the battle of the Somme on 1 July 1916, at Serre in the north of France. Within half an hour of their advance into fierce resistance, 235 men were killed and a further 350 wounded—more than half the battalion. Whole families were devastated, and it was said then that not a single street was unaffected.

At this point I would like to say a few words about my predecessor, Greg Pope, as is an honoured tradition in this place. Before I do so, however, I would like to place on the record a word of thanks to his predecessor, Greg Pope, in his maiden speech 18 years ago, said of Ken Hargreaves that it is

"no overstatement to say that he has devoted his life to representing the people of the area"—[*Official Report*, 20 May 1992; Vol. 208, c. 322.]

of Hyndburn. I can only report to the House that that remains true 18 years later. It is fair to say that Greg was everyone's friend. Articulate and thoughtful, he cared about his constituents, bequeathing a constituency office that in my opinion provides a service to constituents that is second to none.

Greg, like me, traversed a local path to Parliament, beginning his political life in his home town of Great Harwood as a councillor back in 1984, under the wings of George Slynn. Rainy days in the Ribble Valley did not deter his determination, and he was rewarded on a sunny day in 1992, when the Labour vote did come out in Hyndburn. He secured four terms of office as the Member of Parliament for Hyndburn. His vast experience as a Member of this House will be missed by those in all parts of it, as will his pleasant demeanour, honesty and sincerity, and particularly his expertise in foreign affairs.

It would be remiss of me—Greg would welcome my saying this—not to remind the House that

"he is thought to be the only Member of Parliament to have invaded the ..age during a gig by The Clash in 1978".

As such, his musical nobility was assured when my hon. Friend the Member for Oldham East and Saddleworth (Mr Woolas) was drawn to commend him in a Westminster Hall debate, saying that this was in his mind a badge of honour.

Finally, let me speak briefly of the challenges facing my constituency in the coming years. Despite investment by the previous Government, which has led to significant improvements in some areas, much still needs to be done. Some 40% of privately owned residential properties in the constituency are not up to the decent homes standard, and more than 10% are unfit for human habitation. There are some 2,500 empty properties, including in the Rossendale town of Haslingden, and today some wards in Accrington rank amongst the most deprived in the country in terms of health care, life expectancy and other such indicators.

The Government's housing market renewal programme is attempting to remedy those problems, but it goes without saying that the huge cuts in funding handed out so far—particularly to my area, which is one of the most affected—will blight the local economy for perhaps the second time following 18 years of Thatcherism. Hyndburn has one of the lowest rates of participation in adult sports and recreation in Lancashire, and is the third lowest in the country. In my constituency it is not possible to create opportunities for the private sector to deal with those fundamental issues without public sector support, and I intend to be a fierce and vocal supporter of my constituents' interests in this House.

2.59 pm

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I congratulate the hon. Member for Hyndburn (Graham Jones) on his eloquent and passionate maiden speech; I wish him every success representing his constituents.

Localism, we are told, is very important and I agree with that concept. We need to have more powers for local councils in Shropshire—for Shropshire unitary authority and Shrewsbury town council—moving away from Westminster and from regional quangos, so that those who take the decisions can be accountable to local people in Shropshire.

Shrewsbury town council is the largest town council in the United Kingdom. Following the reorganisation of local councils in Shropshire, I very much hope that we can evaluate how more power can be devolved to Shrewsbury town council, but one area in which I think a greater lead, and certainly more advice, is needed from government is waste management. There are proposals for an incinerator to be built in Harlescott, which is a highly residential part of Shrewsbury. The Minister will know that Shrewsbury is an extremely beautiful mediaeval town. The No. 1 income generator for our community is tourism, so local residents are extremely concerned at the prospect of the incinerator being built. As the local MP, I have received many petitions on the matter and have attended many public meetings about it.

Hon. Members will be interested to hear that the issue involves the French operator Veolia, which its chief executive told me when I met him in the House of Commons was originally set up by Napoleon Bonaparte. That company is like an octopus with its tentacles all over the UK. How will the Minister regulate and control that ever-growing, powerful company in its quest to build more and more incinerators throughout the UK? What checks, balances and supervision are the national Government going to put in place? What co-ordination from Government will there be regarding where such incinerators are placed?

Andrew Bridgen (North West Leicestershire) (Con): Is my hon. Friend aware that we, too, have an application for an incinerator in my constituency and that many such incinerators are to be funded through the private finance initiative project? Does he agree that it is tremendously dangerous to fund technology projects with PFI on a potential 25-year payback given that the technology could be out of date within five or 10 years?

Daniel Kawczynski: Yes; I am very grateful to my hon. Friend. I was just about to talk about concerns that the technology will be antiquated by the end of the contract. I want to press the Minister for greater national co-ordination. Councils up and down the country are looking separately, in silos, at incinerators with little regard to national co-ordination in their placement. My hon. Friend is absolutely correct. In our case, the contract would last for 29 years, but the polluting technology involved is already antiquated and should be avoided. Why cannot we have more efficient carbon dioxide-neutral methods of waste disposal? There are many examples in Sweden and other European Union countries that use the most modern and pioneering technology for their waste. Please will the Minister look at them and try to give a greater lead and incentive to councils such as Shropshire not to go with antiquated technology that pollutes our atmosphere? Will he explain the policy and advise that there should be greater co-ordination between councils and more assistance to help them evaluate the best solutions?

I want to draw the Minister's attention to the fact that Shropshire has exceeded the national recycling targets and is massively ahead of other suggested targets. I am greatly worried that we will be importing waste from other parts of the UK to be incinerated in Shropshire. In the last Parliament, we had many debates in this Chamber and Westminster Hall about incinerators. Labour and Conservative Ministers always come back with the same response on this issue. They say, "This is a local matter and you should take it up with your local council," but I do not believe that the Minister can wash his hands of this issue, because there needs to be direct Government intervention. For the record, I am extremely upset that the council—a Conservative council, I hasten to add—is proceeding with the incinerator.

My next point to the Minister is that I would like the council to receive greater clarification about house building targets. The previous Labour Administration wanted to foist huge house building targets on Shropshire—almost concreting over it—leading to great concern among villagers, including those in Cressage and Pontesbury, who love their rural way of life. I should like the Minister to clarify the matter and to assure us that local councils will have greater responsibility to decide house building programmes rather than their being imposed by central Government.

Lastly, I shall address my pet subject, about which, as chairman of the all-party group for the continuation of first past the post, I feel passionately. The only three countries around the world that use the alternative vote system are Australia, Fiji and Papua New Guinea. I do not believe that the United Kingdom should be using a voting system that is predominantly used in Papua New Guinea and Fiji.

Dr Julian Lewis (New Forest East) (Con): Does my hon. Friend agree that first past the post is so called for a reason, because it rightly suggests that the horse that wins the race deserves to get the prize? To carry on the analogy, does he agree that the alternative vote means that the backers of the horses that came third, fourth or even worse decide whether the horse that came first or the horse that came second ought to get the prize?

Daniel Kawczynski: I absolutely concur with my hon. Friend on that point. The referendum will cost the United Kingdom millions of pounds. In five years of being a Member of Parliament, I have received only one letter—and only then because I went on the "Today" programme and said that I had not received any on this issue, after which I received one—from one constituent saying, "Dear Mr Kawczynski, could you please support a change in the voting system?" My constituents come to see me about pensions, child tax credits and Child Support Agency payments—all the things that affect their day-to-day lives. All Members in the Chamber will know some of the terrible difficulties that our constituents are going through and will go through in coming years as a result of the fiscal mess that we have inherited. For us to be distracting ourselves on 6 September with deliberations about a referendum on a change to the voting system when we have one of the best voting systems in the world is a great travesty. I, for one, as chairman of the all-party group, encourage all Members to join the group and to keep up the pressure on our Government to ditch these ludicrous proposals.

3.7 pm

Graeme Morrice (Livingston) (Lab): Thank you, Madam Deputy Speaker, for allowing me to make my maiden speech on the last day before the House rises for the summer recess. May I congratulate all those who have made their maiden speeches to date? I congratulate in particular the hon. Member for Witham (Priti Patel) and my hon. Friend the Member for Hyndburn (Graham Jones), who painted very attractive pictures of their constituencies, albeit with different political landscapes.

You might be aware, Madam Deputy Speaker, that I am unique in this House in that there are two of me—at least, I am one of two Members with the same name. I share my name with my hon. Friend the Member for Easington (Grahame M. Morris), albeit with a different spelling. Some might say—my apologies to Oscar Wilde—that to have one Graeme Morrice in the House of Commons may be regarded as a misfortune, but to have two looks like carelessness. Like all new Members, I am absolutely delighted to have been elected to Parliament to serve my constituents and the community in which I have lived for most of my life. It is a great honour and privilege to have the trust of my constituents placed in me, and I pledge to serve them faithfully in the years to come.

It is customary during a maiden speech to pay tribute to one's predecessor and I want to thank Jim Devine for his work during his four and a half years as an MP. Jim campaigned on many issues, most notably on the collapse of Farepak, and the issue of Greenbelt. Jim Devine became a Member of the House following the untimely death of the late Robin Cook in 2005, and he would often say that it was a place he did not want to be in those sad circumstances. I understand and share those sentiments. Much has been said and written about Robin Cook's outstanding contribution to national politics and world events, and I am sure that will be the case for many years to come. However, I knew Robin as the local, hard-working and caring constituency MP who gave22 years of dedicated service to the people of his community. Robin was my friend, and I miss him deeply to this day, as I am sure many hon. Members do.

My constituency has one of the biggest populations among Scotland's constituencies, with about 77,000 electors. It stretches 16 miles from the Edinburgh boundary in the east to the Lanarkshire boundary in the west, and 14 miles from the Pentland hills and Scottish borders in the south to the constituency of Linlithgow and East Falkirk in the north, beyond which is the firth of Forth and Fife. The constituency is strategically located within the central belt of Scotland, situated as it is within the local authority area of West Lothian.

Although the name of my constituency is Livingston, as it takes in the new town of Livingston, it also covers many of the more traditional towns and villages of West Lothian, some of which have such delightful sounding names as Breich, Dechmont, Ecclesmachan and Fauchеldean. The constituency itself was created only in 1983. It was a new seat created to reflect the growth of Livingston new town, as well as taking in parts of the former West Lothian and Midlothian constituencies. It therefore boasts of such historic and eminent figures as Manny Shinwell, William Gladstone, the Liberal Prime Minister, and of course my friend Tam Dalyell, a former Father—and indeed favourite—of the House, who will always be remembered with immeasurable affection for his independence of thought, integrity and immense tenacity, much to the annoyance of many a premier.

My constituency is a very diverse area including, as I mentioned, the new town of Livingston, which is one of Scotland's five new towns created in the 1960s. Livingston is the biggest town in the Lothians outside Edinburgh. Over the years it has become a major hub in Scotland's silicon glen. BSkyB has its main call centre in Livingston, and is the largest private sector employer in West Lothian. The Livingston designer outlet centre, which is one of the biggest in Britain, attracts 6 million shoppers annually. The town is also home to West Lothian's only senior football team, which came third in the Scottish premier league in 2002 and qualified for the UEFA cup—a remarkable achievement for such a new club. My constituency also takes in numerous other communities of a more post-industrial and rural nature, covering the Almond and Breich valleys and Strathbrock.

Historically, West Lothian was dominated by both oil-shale mining in the eastern part of the county and coal mining in the west, as is evident from the bings that still exist on the landscape. In the 1850s West Lothian was home to the first truly commercial oil works in the world, thanks to the eminent chemist James "Paraffin" Young. The Union canal and railways, with their stunning aqueducts and viaducts that were built during that era—they are still standing to this day—facilitated the economic success of the area.

Unfortunately, West Lothian's proud heritage of mineral extraction ended in the mid-1980s with the enforced closure of the Polkemmet pit. That, along with the loss of British Leyland in Bathgate and numerous other factory closures, meant that unemployment in the county rose to an unprecedented 25%. That was the legacy left in my constituency by the Conservative Governments of Margaret Thatcher and John Major, and it took more than a decade of the interventionist policies and public service investment programme of the incoming Labour Government before the tide was eventually turned. I do not want a return to the days of laissez-faire economics, wholesale privatisation and the decimation of public services that I remember only too well, as do the people and communities that I represent.

My background is in local government. I have been a councillor in my constituency for the past 23 years, serving the community of Broxburn and Uphall, which was the birthplace of my mother, and where I lived from the age of 12. I had been council leader for 12 years when, in 2006, West Lothian became the first Scottish local authority to be honoured with the prestigious accolade of UK council of the year. Indeed, in this very House Tony Blair, the then Prime Minister, commended myself and the council's chief executive, Alex Linkston, on that remarkable achievement.

If I may, I wish to congratulate Alex Linkston on his 45 years' service in local government, during which he has worked continually for West Lothian council and its predecessors. He is retiring in September, and he was awarded a CBE in 2007 for his services to local government. I am sure that the whole House would like to join me in thanking him for his long and distinguished public service and wishing him well for the future.

Thank you, Madam Deputy Speaker, for allowing me to make my maiden speech. I wish you and the rest of the House a very enjoyable summer break.

3.15 pm

Gavin Williamson (South Staffordshire) (Con): I pay tribute to the excellent maiden speeches made by the hon. Members for Livingston (Graeme Morrice) and for Hyndburn (Graham Jones) and by my hon. Friend the Member for Witham (Priti Patel); they sold their constituencies very well.

As a reasonably new Member of Parliament—I have been a Member for only a few weeks—I have quickly discovered that one of the joys of the role is the enormous range of issues that one reads about in each day's postbag. Some of them are very easy to deal with and can lead to good resolutions, but others are more complex. I therefore welcome the opportunity to bring some of those issues to the Floor of the House.

Traveller sites represent a great problem facing much of South Staffordshire. Of all the west midlands constituencies, we have one of the largest numbers of Traveller sites. Under the previous Labour Government there were proposals to double the number of such sites in my constituency, but that would put great pressure on our communities. It is somewhat unfair that a constituency with a large number of Traveller sites should also have to deal with many new sites. It is particularly unfair that the proposed location of many of the sites is green belt land. The previous Government's rules allowed sites to be placed on such land because of the exemptions that they enjoyed, so I hope that the coalition Government will change that.

Later today I will present to the House a petition with more than 2,100 signatories. It has been signed by South Staffordshire constituents as well as a few others who have visited South Staffordshire and enjoyed the pleasures of its beautiful countryside. I hope that the Government will change the law. Most importantly, however, there is something that they can do during the recess: get rid of circular ODPM 01/06. That would make a major difference to the planning system straight away, and change the way in which faceless bureaucrats in Bristol can force on my constituents, as well as those of many hon. Members, Traveller sites that are not wanted, and should not be built on green belt land. I hope that my hon. Friend the Deputy Leader of the House will pass that message on to Ministers.

Daniel Kawczynski: Does my hon. Friend agree that the problem relates not just to Gypsy sites? The Bristol office can exert a lot of influence over all sorts of planning applications in our communities, but its right to do so should be abolished, with the power devolved back to local councils.

Gavin Williamson: My hon. Friend makes an excellent point. If Members of Parliament had as much power as the inspectors in Bristol, we would truly appreciate it. We need the power to be devolved because the process has a great impact on local communities, and local voices are not being heard. Local councillors can say no to something, yet inspectors in Bristol will say yes. That cannot be allowed to continue.

A further problem affecting South Staffordshire is car boot sales. When hon. Members think of car boot sales, they probably imagine pleasant events involving 20 or 30 cars that might be raising money for a local hospital, church or school, but South Staffordshire is blighted by industrial car boot sales involving many hundreds of traders descending on our rural villages. There is no regulation or control by the district council, and the events bring misery to many areas. I invite Members to visit the villages of Featherstone or Himley on a Sunday to see the blight that the car boot sales bring—*[Interruption.]* Members are probably booking their train tickets right away. The villagers are not able to leave their homes because of the traffic chaos inflicted on them. I am asking not for a vast amount of legislation, but simply for South Staffordshire district council to be able to impose the same regulations as many London boroughs, so that we can control those industrial car boot sales and my constituents can go about their daily lives without this terrible affliction.

My final point touches many hon. Members' constituents; it is about cancer drugs. I welcome the Government's moves to take decision making on need away from primary care trusts and give it to clinicians. I hope that that will benefit one of my constituents, a brave young woman with a young family, who, with immense courage and incredible bravery that would humble anyone, is battling lung cancer, for which her clinician has advised that she needs a course of Taxol and Pemetrexed. This has been declined by South Staffordshire primary care trust, which is an utter disgrace. I hope that the changes to PCTs, and to the making of decisions on whether patients are allowed to have certain medicines, will benefit my constituent, but I fear that they will not come in time for her. I urge the Deputy Leader of the House to do everything within his powers to put pressure on anyone, whether at Cabinet level or in the Department of Health, as I have tried to do, who could do anything to help my constituent to have a chance at life and to be able to enjoy her family. If my hon. Friend can do that, I am sure that my constituent would be incredibly grateful, as would many of our constituents.

This coalition Government have made some positive changes and a positive start, but so much more is needed, and requires to be done. I urge my hon. Friends to keep pushing those on the Treasury Bench to ensure that that change is delivered.

ROYAL ASSENT

Madam Deputy Speaker (Dawn Primarolo): I have to notify the House, in accordance with the Royal Assent Act 1967, that Her Majesty has signified her Royal Assent to the following Acts:

Appropriation (No. 3) Act 2010

Finance (No. 2) Act 2010

Academies Act 2010

Kent County Council (Filming on Highways) Act 2010

Allhallows Staining Church Act 2010

Summer Adjournment

Debate resumed.

3.23 pm

Kate Green (Stretford and Urmston) (Lab): I start by paying tribute to the maiden speakers this afternoon: the hon. Member for Witham (Priti Patel) and my hon. Friends the Members for Hyndburn (Graham Jones) and for Livingston (Graeme Morrice). I have a particular affection for Livingston because my father was head teacher of one of the very first primary schools there in the mid-1960s.

In my maiden speech I spoke about my constituency, its people, their ambitions for their families and their care for their community, and the dignity of work. Stretford and Urmston is not the most deprived of constituencies in the country. We do not have the highest levels of unemployment or the worst poverty rates, but many families are very worried about the future and their local community. My constituency sits in the northern part of the borough of Trafford, Conservative-controlled since 2004. In that time my constituents have come to feel that they are very much the poor relations, as they watch funds flow to the leafier, more prosperous south of the borough. One trivial but telling example is that in January, when we suffered the heavy snowfalls, it did not escape notice that the council's snowplough was seen almost immediately in Hale, in the south of the borough, whereas in Stretford and Urmston we waited weeks. In fact we never saw the snowplough at all; we had to wait for the thaw.

My constituency also loses out in much more serious ways. Unemployment is twice the level in the wealthier next-door constituency of Altrincham and Sale West. Inequalities in health mean a difference in male life expectancy of 11 years between the poorest wards in my constituency and the richest in the south. Investment in our town centres, parks and youth facilities has all too often seen my constituency at the back of the queue.

Last week Trafford metropolitan borough council announced cuts of £70 million in public spending over the next few years. It made that announcement at a press conference: it took a leaf out of Ministers' books, because councillors were not the first to hear. We do not have all the details of the cuts, but we already know that 81 more jobs will be lost this year and an elderly people's home will close, and that social care, libraries, education, play facilities and parks are all likely to be hit.

That is the reality of spending cuts. It is no use seeking to suggest that they are the result of local decisions alone, because the £6 billion of Ministers' so-called efficiency savings will have a direct effect on education and youth facilities in my constituency, on community cohesion programmes and on programmes to address health and the quality of life. It is Ministers who have frozen the playbuilder scheme in my constituency. Last week I asked the Leader of the House about that, and he said that it was a local decision, but I have since learned that it was an instruction from the Department for Education. Do not tell me that Labour had put in place spending plans that could not be afforded, because in Trafford a choice is being made about what to spend money on, and to cut front-line services first. Trafford council has still been able to find the money for consultancies and senior director posts, and to refurbish the town hall.

It is the public services on which my constituents rely—services that are popular, accessible and good quality—that face the first of the threats. Those are the services that bind society more closely together, and legitimise the right to social support. Now, under the guise of the big society, we see many of them picked apart. I am all in favour of people acting together to improve and strengthen their communities, and we have many examples of that in my constituency, from Positive Partington to Trafford peace week, the 60-plus action group, the companions and carers lunch club, and the Urmston partnership. Those and many other groups do tremendous work in the community. They enrich people's lives. But let us be absolutely honest: they can in no way replace the public infrastructure. Their role is not, and should not be, the strategy or stewardship of public resources, or securing universal access. For that we need the state. That role has been fulfilled by Government offices for the regions, primary care trusts and local authorities—all now being airbrushed out, or seeing their roles minimised as part of the Government's local delivery plans.

Volunteers do great work in our community, but they volunteer: they do what they want, when they can. That is why a local police inspector told me the other day that although special constables make a great contribution, they can in no way replace police community support officers. We cannot insist on where or when specials work, and we cannot secure a critical police presence from special constables at the visible policing level that the public want and expect.

Let us think about relying on volunteers to run our local library or swimming baths. Those roles require skilled, qualified and paid staff, guaranteed to maintain minimum standards of access, quality and safety. Let us also consider the Sure Start centres that support young families, or the carer who goes every evening to help an older person to get to bed. Those are core services that cannot be left to the chance of voluntary provision, yet I fear that the direction of the big society will be a cover for reducing investment, and that the result will be patchy unreliable provision.

I want Ministers to come to the House and tell us what the big society really means for public service quality, public sector employees, the voluntary and community sectors, communities, individuals and families. I want for every one of my constituents a guarantee that open, accessible and quality provision will be maintained in the services on which they rely. I want assurances for my local voluntary sector that it is not expected to become a cheap substitute for proper public provision. And I want to hear from Ministers, from the Prime Minister downwards, that the big society will be truly fair to us all.

3.31 pm

Mr Edward Timpson (Crewe and Nantwich) (Con): It is a pleasure to be called in this end-of-season debate, in which we all have an opportunity to talk about subjects that perhaps the parliamentary time we have been afforded so far has not allowed us to discuss. In the short time I have, I shall bring to the House's attention three or four areas of interest in my constituency and generally, the first of which is the decline in competitive sport.

I welcome the Government's plans to revive competitive games in schools and reverse the decline in competitive sport, when there are no winners and no losers. Those

of us who have been through not only a general election campaign recently but through polls when we might not have been successful know what it is to like to win and what it is to like to lose, and we are all the better for it. However, fewer than one third of our schools take part in regular competitive sport, and fewer than one fifth compete against other schools. In Crewe and Nantwich, I have seen for myself the huge importance of, and appetite for, competitive sport, and its huge impact on many young people's lives.

Crewe and Nantwich athletics club has been phenomenally successful and is top of the men's, women's and under-11s' leagues. I congratulate the young athletes who have been promoted to the premier north-west league, especially Liam Clowes, who has been selected to run for Great Britain at the world junior championships. None of that would have been possible unless Steve Walker, the head coach, had believed in the importance of competitive sport as a way to energise young people, and in their ability.

Crewe and Nantwich gymnastics club and the Cheshire academy of integrated sports and arts have sent many young adults with disabilities to the Special Olympics, which will take place again next year in Athens, where they have won countless gold medals. That is all down to the hard work and dedication of the coaches, who believe that competitive sport plays a vital part in encouraging young people to learn to deal with success and failure and to reach their potential. Many young people have a real passion for sport and can see through the façade of receiving a medal just for taking part; they want to believe that what they have done has meaning and will help them to strive for greater things.

I therefore welcome this Government's attitude in trying to reintroduce competitive sport throughout our schools and within our communities, because I enjoy watching my daughter and son taking part in the egg and spoon race. I enjoy seeing not only the tears of joy when they win, but the tears of disappointment when they do not. That is not because I am a competitive dad, but because I like to see them engage in competitive sport that will help enliven and enrich their understanding of what sport can bring to their school and community.

The previous Government introduced a directive under which schools were asked to replace competitive races on sports days with so-called problem solving exercises. There is some debate about whether egg and spoon races can be described as problem solving exercises, but I know what I would prefer my son and daughter to be doing.

I shall not try to link all my subjects together, but simply move on. My next topic is the plight of looked-after children in our society—a serious issue in which I have been involved for a long time. I am keen that the new, reconstituted all-party groups on adoption and fostering and on looked-after children and care leavers should try to encourage Members of Parliament to go into their constituencies and meet some of the young people in care, or those who have experience of the care system. Members can thereby discover for themselves exactly what is going on and how looked-after children are faring.

We need to take up so many issues in the House on behalf of the many children in the care system who do not have a voice. I am delighted that the Government have seen fit to ensure that looked-after children will benefit from the pupil premium, and I would have been surprised if they had not taken that step. Another issue is the provision of mental health services for children and the need for the child and adolescent mental health service—CAMS—to be far more rigorous and available to all children when it is required. Furthermore, children need support when they leave care; we had a lengthy debate on that during discussion of the Children and Young Persons Bill in the previous Parliament.

A disproportionate number of children in custody have been in the care system or are in it. I will continue to press for one anomaly to be addressed: the fact that children in voluntary care who find themselves in custody lose their status as looked-after children—all the support mechanisms fall away. Why should that happen? I shall return to the subject throughout this Parliament.

My third issue is one that many older constituents have raised with me—the switchover to digital radio. Approximately 100 million analogue radios are still being used in the UK and 20 million car radios can receive only AM and FM radio. The previous Government were going to press ahead with the fairly arbitrary date of 2015 for the switchover, yet only 24% of radio listening is done through digital channels. We have to question the reliability of DAB radio; I still believe that the coverage is patchy. Furthermore, what are we going to do with all the old analogue radios? Who has given thought to that?

So many older people in my constituency believe that the FM service is more than adequate for their needs. If the switchover is rushed, the impact on the commercial radio sector could well be highly damaging. I am pleased that the Government view the issue as more of an aspiration—that a 50% threshold of DAB users is to be required and that the FM service will continue even if the DAB service is brought in as the preference for radio stations.

Those three subjects were completely unrelated, Madam Deputy Speaker, but I am sure that you found them fascinating. They all concern my constituents, from the very young to the very old, and I hope that they will be taken seriously by hon. Members on both sides of the House as we progress through this Parliament.

3.39 pm

Jeremy Corbyn (Islington North) (Lab): Thank you for calling me, Madam Deputy Speaker; this is the first time I have spoken while you have been in the Chair. I congratulate you belatedly on your election.

I compliment the three Members who made their maiden speeches today. I was disappointed that in her excellent description of the free market of Witham, the hon. Member for Witham (Priti Patel) did not get round to mentioning the 14th century peasants' revolt, which originated in her constituency and offered a rather different take on how an economy can be developed.

In his excellent speech, my hon. Friend the Member for Hyndburn (Graham Jones) described the origins of the industrial revolution, and just about everybody north of Watford can claim that their area had a part in that. I grew up in Shropshire, and we are absolutely convinced that the industrial revolution began there. We will have to continue that debate.

I was so pleased that my hon. Friend the Member for Livingston (Graeme Morrice) mentioned the late Robin Cook and his enormous contribution to this House and, indeed, his opposition to the Iraq war.

[Jeremy Corbyn]

The summer Adjournment debate, as it used to be called, is a good institution, but a limited one, because until now there has been no facility for reply other than the hapless Deputy Leader of the House having to sit through several hours of speeches on a convoluted range of subjects—from local issues, to FM radio, to, probably, space travel some time later this afternoon—and being expected to respond to them all but, in reality, not being able to respond to any of them. If our procedures are to mean anything, there must be some facility, at the very least, for Ministers to reply to points made during these debates by letter or by statement. Alternatively, we could go back to what used to be known as the Consolidated Fund debates, when Members could raise any specific issue and a Minister was forced to reply to them—in effect, a series of all-night Adjournment debates that we used to enjoy in the mid-1980s. I recall talking about the London ambulance service from 4 am until 5.30 am, and in the end an ambulance came and took us all away out of sheer exhaustion.

I want to raise an absolutely crucial issue concerning the health service in my constituency. In the past few months, there has been enormous discussion and debate about the configuration of health services in north London. Something called the north central London health service configuration—a conglomeration of the primary care trusts for the whole of north London—concocted a substantial report, a vintage photocopied version of which I have here, which made several proposals, including the closure of the accident and emergency department at my local hospital, the Whittington, with an implied and very obvious threat to A and E departments elsewhere.

That provoked consternation locally, as it would anywhere else, as well as an interesting public discussion and debate about the nature of the national health service, issues of poverty and need, and the value of a local hospital in addressing those issues. All Members will be familiar with such discussions. Several public meetings were held. For the first one I called, I was reluctant to get a large room because I was not sure how many people would turn up. However, 350 people turned up to ask questions, and even more came to another meeting that was held a short time later. A feeling of democratic deficit within the NHS was very obvious throughout all those discussions. We then organised a local march along the Holloway road in defence of Whittington hospital, which 5,000 people attended.

As a result, the leaderships of the three main political parties started to vie with each other to support the demands to keep the local hospital. During the general election campaign, we had one of those strange moments that occurs at such times when the Defend the Whittington Hospital Coalition called a demonstration outside the hospital and were overwhelmed with speakers, including Labour candidates such as me, my right hon. Friend the Member for Holborn and St Pancras (Frank Dobson) and my hon. Friend the Member for Islington South and Finsbury (Emily Thornberry), and a number of Liberal Democrat candidates. The future Secretary of State for Health, the right hon. Member for South Cambridgeshire (Mr Lansley), turned up and was immediately given a place on the platform alongside this strange conglomeration of people. All of us, including the right hon. Member for South Cambridgeshire, now the Secretary of State for Health, pledged to do everything we could to save Whittington A and E department, and thus the hospital with it. I was not aware of this, but apparently he toured the whole country making such pledges and promises, as my hon. Friend the Member for Bolton North East (Mr Crausby) said.

We are now concerned about what is going to be the future of health services in north London and the Islington area. Although Islington has an urban chic, cappuccino society image, with rather strange restaurants on Upper street where various arrangements were made between previous Labour leaders, in reality it is a borough of huge disparities in wealth and poverty. All the health indices—I have with me an excellent publication by the local primary care trust and the council, the health profile for Islington for 2010—indicate that there are high levels of health deficiency, obesity, cancer, heart conditions and a number of other problems. Interestingly, that publication also shows that the health condition of the borough has improved considerably over the past 10 years. Life expectancy has increased, infant mortality has declined, and all health indices have improved considerably, although they are still below the regional and national average.

I was very pleased that Islington council and the NHS produced an excellent document entitled "Closing the Gap—Tackling Health Inequalities in Islington", a copy of which I have with me. It indicates that one of the major problems is the lack of affordable housing and emphasises the need for people not to grow up in overcrowded accommodation that damages their health.

The reason I mention all that is that, with some concern, I recently received a letter from the apparently soon to be redundant primary care trust, stating that there was to be a stocktake of stakeholders' views on the future configuration of the health service in my borough. It provoked an immediate response from the Defend the Whittington Hospital Coalition, which stated:

"We note that in this letter you"—

the director of North Central London strategic health authority—

"give notice of a meeting to discuss with GPs from across North Central London commissioners the results of the stocktake on 15th July".

It asked for an immediate reply. In the reply, the health authority wrote:

"This local stock take will help inform how we involve people in the review which will not start before September."

The authority's letter then immediately goes into a long paragraph about the need to be aware of the health White Paper, and concludes that the previous review has been halted, that the stocktake is reviewing the process undertaken, and that there will be a discussion with GPs in anticipation of their new role. It is time to stop messing with the NHS, return it to local democratic accountability and save the Whittington hospital.

3.47 pm

Jake Berry (Rossendale and Darwen) (Con): I first congratulate my hon. Friend the Member for Witham (Priti Patel) and the hon. Members for Livingston (Graeme Morrice) and for Hyndburn (Graham Jones) on their maiden speeches. The hon. Member for Hyndburn's constituency adjoins mine, and in what I hope will be an

afternoon of agreement I agree with him that the industrial revolution started in east Lancashire. In fact, I will refer to that later in my speech.

I believe that it is the duty of every Member of this House, whatever their political persuasion, to try to reduce poverty and inequality wherever they find it. That is why I am determined that vital community resources in deprived areas of my constituency should not fall victim to the enormous public debt and recession that we inherited from the previous Government.

Community centres in Darwen were recently threatened by Blackburn with Darwen council as it began tightening its belt to deal with our deficit problems. The people of Darwen have always been radical and innovative, and they did not take that lying down. They will not let Sudellside community centre close, and they are looking at community ownership. When the issue was raised, some people in the area were sceptical. I was not. It is patronising, and simply not true, to suggest that passion for community ownership cannot be found in deprived areas. The big society is an idea not for middle-class do-gooders but for all of us. Sudellside community centre is vital to the community in which it is situated, and I will do all I can to ensure a bright and vibrant future for it.

Rossendale and Darwen is a very special part of the world. Not only is it picturesque, but it was the cradle of the industrial revolution. Its innovation continues today through its manufacturing prowess on both the national and international stage. As its Member of Parliament, I am focused on the future prosperity of my area and believe that if that is to be achieved we must address urgently the issue of building new infrastructure to support business and create new jobs.

Manchester is the economic capital of the north-west—I was brought up in Liverpool, which makes that very difficult to say, but it is unfortunately none the less true—and Rossendale must look to Manchester for its future prosperity. If the valley is to prosper, we must improve our transport links. That is why we must urgently proceed with the rail link from Rossendale to Manchester. The proposed scheme would mean a commuter train running on east Lancashire heritage railway—an example of commercial and conservation rail running on the same track.

The link would be of enormous benefit to Greater Manchester and provide easy access to Rossendale's highly skilled work force. Rossendale's manufacturing base and our spectacular open spaces would also be made accessible to all. Housing is inexpensive in my constituency, and a rail link would provide high-quality, affordable homes to BBC workers who move to the new media city in Salford. I am sure that they would flee the urban humdrum of London and Manchester.

In addition to improving transport links, the railway would drive regeneration of our town centres. For too long, shoppers in Rawtenstall have had to suffer the sight of the Valley centre at the bottom of Bank street. That festering sore on an otherwise attractive shopping street must be redeveloped, and I applaud the local Conservative council's action to proceed with a compulsory purchase order of the site. I hope over the next few months that I can assist in creating a vibrant and historically sensitive new plan for that area. This is a once-in-a-lifetime opportunity completely to redevelop a large portion of Rawtenstall town centre, and it must not be squandered.

The case for the rail link is compelling, and linked to the wider redevelopment of the Rossendale valley. I therefore hope that the Government look favourably on future efforts to secure funding for those schemes.

The town of Darwen on the other side of my constituency is undergoing a renaissance with the redevelopment of the town hall, Holker House, and the continuing success of Darwen market. I hope that the town continues to thrive. We have a superb new leisure centre, and in September our new academy school will open. I pay tribute to the contribution that teachers and other education professionals make to our society and to every young person in the country. I am sure that hon. Members will join me in wishing the pupils and staff of the Rod Aldridge academy good luck in their new school building in September.

3.53 pm

Julie Hilling (Bolton West) (Lab): I pay tribute to the hon. Member for Witham (Priti Patel), and my hon. Friends the Members for Hyndburn (Graham Jones) and for Livingston (Graeme Morrice). They say that all good things are worth waiting for, which is certainly true on the occasion of their maiden speeches.

I have been amazed in the past two months by the efforts of the Conservatives and Liberal Democrats to mislead the public by saying that there is no alternative to the vandalism that they are inflicting on public services in Bolton West and throughout the country, and by the fact that they seem not to know that there is a global recession or that if Britain and the rest of the world had taken no action, we would now be in a global depression. Had they been in government, would they have taken no action? Would they have let the banks collapse, taking with them our savings, mortgages, pensions and businesses? Would they have allowed twice as many houses to be repossessed and twice as many people to be unemployed?

I was shocked that no Education Ministers would meet the pupils of Westhoughton high school to explain why they are not getting a new school when they visited the Palace a fortnight ago. I was also shocked that they cancelled the Building Schools for the Future projects in both Bolton and Wigan, even though those authorities had reached financial close, even though the money was in the budget to pay for them, and even though BSF would provide much-needed jobs and apprenticeships.

Government is about choices. This Government are making the choice to pay back the deficit by cutting vital services to the most vulnerable in society. They are also choosing to pay back the deficit quickly, and to privatise health and education, but those are not the only choices, and they are not the choices that Labour would have made.

With that in mind, will the Government tell me and my constituents whether the electrification of the Manchester to Preston railway line will go ahead? It was announced last year and would mean more trains, fewer emissions, cheaper running costs and better journey times. As part of the electrification, we would get new-to-us trains. Currently, passengers on our services play sardines every morning and evening. People are often left on the

[Julie Hilling]

platform because nobody else can squeeze into the carriages. In fact, the engineers for Northern Rail should get medals. I do not know how they keep some of those trains running. Whether or not electrification happens, will we get new rolling stock? Good public transport is vital to economic growth, but the bottleneck in the rail network in Manchester is a hindrance to growth. Will we get the northern hub, so that there are more trains to and through Manchester?

As part of national pubs week, I visited the Red Lion pub in Westhoughton in my constituency to talk about the problems that the licence trade faces. This is a well run pub which is rooted in the community and used by a whole variety of groups, but I left fearful about its future. Of course the licensees mentioned the smoking ban, but their biggest concern was their inability to compete with the large chain pubs because of the brewery tie and other related costs. They told me about the extortionate costs of Sky and about the cost of business rates, compounded by having to pay council tax for their accommodation in the pub—paying twice for the same services, an issue that affects all business people who live over the shop. They told me about the cost of heat and light and their fears for increases in VAT. They told me about the cost of their performing rights licence—they have even had to remove the jukebox because they could not afford a full licence.

Six pubs close every day. The last Government were committed to introducing a "guest beer right" for tied tenants, which would allow them the freedom to make a fair profit. Will the current Government go ahead with those plans? The Government have pledged to introduce a community right-to-buy scheme so that communities can take over their local pub, but will they provide the £3.3 million funding that was committed by the last Government? Will they close the loophole in the planning law that allows pubs to be demolished or changed into shops or restaurants without the need to seek planning permission? Will they also look at other costs associated with running a pub to see if any other help can be given?

I have also had a meeting with one of my constituents, Komal Adris, a British citizen, who recently went on holiday to Israel and the west bank. At passport control in Tel Aviv, Komal was asked what her father's name was. When she answered "Mohammed", she was taken out of the queue and into a separate room for questioning. She was told that this was routine procedure, but she was the only person from the whole flight who was taken aside. She was also the only person with a brown face. She was kept from 8 pm to 7 am with a number of different Israeli officials interrogating her. No one would tell her how long she would be held or why she was being kept. She was asked why she was visiting Israel and Palestine and she explained where she was intending to go.

As the night went on, the questioning became more aggressive. In the early hours Komal was given a Government document to sign that would have allowed her to enter Israel, but prevented her from entering Palestinian territories. She was told that if she attempted to visit any Palestinian town or city she would be arrested and put in prison, even if it was just a visit to Bethlehem. She refused to sign, as she did on the two further occasions she was asked. This document appears to have no legal basis and the Israelis should not prevent movement to and through the Palestinian territories.

At 6 am, Komal was told that she had been refused entry and would be sent back to the UK. The reason she was given was "security". She asked if the officers were saying that she was a security threat and they said, "No, of course we aren't implying that you are a terror threat." But if security was the real reason, why would they have let her into Israel? She was then taken away for searching. All her bags and personal belongings were thoroughly searched and she was strip searched. At about 7 am, she was taken away from the airport and put in a prison cell. She had no access to her belongings or her phone so she could not tell her family or friends what had happened to her. She was kept in a cell until 8.30 pm, having been held for more than 24 hours, unable to communicate with anyone and given just one cold packed meal. This was a frightening, disturbing and degrading episode for a young Muslim woman.

Komal could have signed the document and been allowed into Israel, so security cannot have been the real concern. Does this therefore mean that the Gaza blockade has now been extended to the west bank? Please can the Government tell me what action they have taken to uphold the freedom of travel for British citizens and to ensure that the Israeli authorities are not discriminating against British citizens on the grounds of their ethnicity or religious beliefs? Can they tell me how many British citizens have been denied entry to the west bank, and can they investigate why my constituent was treated in this discriminatory and degrading fashion?

Finally, as hon. Members may know, I have spent most of my life as a youth and community worker, and I am worried about what is happening to youth work now that the cuts are starting to bite. Youth and community work goes to the core of the big society, but groups are already concerned that they will not be able to survive. Do the Government not realise the importance of the area-based grant and regional bodies, such as the regional development agencies and the Government office for the north-west, to the voluntary and community sector? Without the support of funding streams to support and attract funding, groups will not survive. As in the '80s and '90s, we run the risk of both local authority and voluntary sector youth projects closing—young people with nowhere to go and nothing to do. How can the local authorities and youth services fulfil their obligation that 25% of young people have contact with youth workers, and 25% of those achieve accredited outcomes? I am scared for the future in Bolton West, and I hope that I will get reassurance that the future is not as bleak as I fear.

4.1 pm

Duncan Hames (Chippenham) (LD): I, too, congratulate the hon. Members for Witham (Priti Patel), for Hyndburn (Graham Jones) and for Livingston (Graeme Morrice) on their maiden speeches. In particular, I appreciated the opportunity to recollect the role in the House of a previous Member for Livingston—a friend, at the time, of the current Member—who gave such a wonderful example to new Members of the importance of being independently minded, through his principled opposition to the Iraq war.

I wrote to Mr Speaker to let him know of my interest in taking part in this debate, because I wanted to speak about the situation affecting the railways in my constituency. However, I hope that I will be forgiven for first following up on a matter I have raised several times in the House since I arrived relating to the exploitation of the energy in our rivers, particularly the River Avon at Avoncliff in my constituency. I wish to do so because it is becoming a formative part of my initial understanding of the role and privileges—or otherwise—of hon. Members. I was approached by constituents who have done a remarkable job of renovating a derelict mill on the side of the river, and who were keen to establish a renewable energy project—a hydro scheme—on the river, which is something that the country needs us to do more often.

In September last year, my constituents made an application for a river abstraction licence from the Environment Agency, and by the end of March this year, they had been provided with a draft agreement from the agency indicating the terms under which they might be successful in receiving such a licence. Strangely, they then heard nothing for quite a period, and so came to me at one of my surgeries. It seemed necessary to get the agency to give them some clarity on the future prospects for this application, because the delay was blighting the development, so I wrote to the agency on behalf of my constituents. I also started to make inquiries in this place, not specifically into that case, but into the nature of the policy relating to the role of the agency. After all, why should we need abstraction licences for renewable energy projects that only momentarily use the water as it passes through the devices that generate the energy from the river?

I had only just begun to make inquiries when my constituents made further approaches to the agency about their application. I learned at my surgery this weekend that the applicant had mentioned to the staff at the agency that, because of the problems that the delays were causing them, they had enlisted the support of their Member of Parliament. To my shock, it was alleged by the applicant when he met me this weekend that he had received a response from that public servant to the effect that he was being told: "Yes, and I can assure you that if there are any more speeches in Parliament about this situation, your application will go to the back of the queue." That is quite a serious matter, as I am sure you will agree, Madam Deputy Speaker, and one that has caused me great concern.

Hon. Members might feel that going to the back of the queue is not the most serious of consequences, given that we all have to develop some patience when seeking permissions from regulatory authorities. However, what is alleged to have been said is relevant in this case, because I received a reply to my letter to the Environment Agency dated 29 June in which I was told that the agency had failed to reach a determination on the application. However, a letter dated the very next day was sent to the applicants advising them that their application had been unsuccessful—something that I find hard to believe those replying to my original letter would not have been aware was in the pipeline.

A delay to my constituents' application is significant, because the reason given for the refusal was that another application, on the other side of the river, had already been granted permission ahead of theirs, yet that application had not been granted when my constituents first approached me. Indeed, that other application was not officially submitted with the agency before my constituents submitted their application; rather, conversations with the agency had, as they were told, merely begun. It is therefore with great concern that I hear of allegations that an assessment of my constituents' application was delayed because of the interest that I have taken in their case and because of the questions—essentially policy questions—that I have raised in the House.

I would therefore be grateful if the Deputy Leader of the House, who has answered one of those questions—in fact, the question that I asked of him was the most ably answered of those on the subject that I have asked in the House so far—would raise the matter with his ministerial colleagues, because I have grave reservations about what has been happening in this instance.

I originally wanted to speak in this debate on the subject of railways, and as time is short, I will focus on one particular aspect of rail services in my constituency. At the start of the current franchise, which is operated by First Great Western, the new franchise agreement withdrew the requirement to provide a number of services on the line between Chippenham and Trowbridge in my constituency which called at Melksham. Those were the only services calling at that station. As a result, a popular and well used service has been reduced to one that now does only two round trips a day—round trips that are 12 hours apart and therefore of much less value to my constituents. Great efforts have continued to be made throughout to restore that service. I am looking forward to a meeting with First Great Western next week, at the start of the recess, at which I might pursue that pressing issue. Melksham is the fifth largest settlement in Wiltshire, yet it currently has a minimal train service.

I should like to take this opportunity to pay tribute to the campaign for improved services at Melksham station which has been run by the now chair of the local chamber of commerce, Mr Graham Ellis, and to all those in the "Save the train" campaign and those who continue to pursue the matter through the Wiltshire community rail partnership. There is some light at the end of the tunnel, in that there is another operator that would like to run services on the line. I would therefore be grateful if the Deputy Leader of the House could raise with colleagues in the Department for Transport the need to be open and flexible about open access agreements, so that in these more straitened times we might make better use of the track that we actually have. I hope that, in the spirit of the big society, the Go! co-operative, which is looking to embark on an open access agreement, might be given every opportunity to improve the services available to my constituents.

4.9 pm

Yvonne Fovargue (Makerfield) (Lab): I should like to congratulate the hon. Member for Witham (Priti Patel) and my hon. Friends the Members for Hyndburn (Graham Jones) and for Livingston (Graeme Morrice) on their maiden speeches. Good things are indeed worth waiting for.

I would like to raise an issue that is important to many of my constituents and that has been highlighted by two announcements this week—namely, employment in the Wigan borough. The first announcement was made by the hard-pressed Wigan council, which confirmed

[Yvonne Fovargue]

that more than 800 jobs were at risk due to the huge scale of the coalition's proposed cuts of more than £55 million in Wigan.

The second blow to my constituents in Makerfield was the loss of 100 jobs and the possible closure of the Ingersoll Rand factory in Hindley Green. Time and again, I have heard Members on the coalition Front Bench state that public sector job losses will be mitigated by the growth of the private sector. Well, in my constituency, there appears to be a contraction of both sectors, and that is a blow that my constituents can ill afford.

Since last summer, the fall in unemployment in Wigan has been nearly 8%, due in part to the policies of the previous Labour Government and Wigan council of investing in businesses via the working neighbourhood fund, and investing in our young people, with more than 200 young people employed in the future jobs fund programme last year. They gained valuable skills and supported organisations such as Age Concern and the Wigan borough veterans council. Some of those young people, despite subsequently gaining paid work, have continued to volunteer with their placement organisations —the big society in action!

All this has been taken away by this Government, with no regard to the success of the scheme in my borough. The local authority intensive support start-up service, funded by the working neighbourhood fund and the Northwest Regional Development Agency, has been creating an average of one new business every day since the start of 2010. However, the axing of the RDA and the slashing of the working neighbourhood fund budget will leave the future growth of new businesses gravely in doubt in my constituency.

The coalfield communities regeneration programme has also supported new businesses in my area. Will the Minister commit to continuing to fund that vital programme, which supports the business and voluntary sectors in Makerfield? What support will he give to ensure that this and other funding streams continue to nurture new businesses in my constituency?

Another blow to the Wigan borough was the loss of our new schools under the Building Schools for the Future programme. That announcement was all the more devastating as Wigan council had received a letter from the Minister only the day before the cuts were announced, stating that where a local educational partnership had reached financial closure, as ours had, the schemes were to be allowed to proceed. Not only were the hopes of our young people, parents and teaching staff cruelly dashed, but many people—including many young people who believed that they could gain apprenticeships in the construction industry, building local schools—now have no hope of work.

I ask the Secretary of State for Education to look again at that decision, and to come to Wigan and speak to the parents, teachers and pupils there, particularly those in Hindley, the area already devastated by the job losses at Ingersoll Rand. In a visit to my local authority, he would see at first hand the impact of his decision on pupils and teachers seeking to achieve excellence in a building that is no longer fit for purpose, where teachers have to stick the tiles back on the walls before commencing lessons.

Another organisation employing many of my constituents who are living with daily uncertainty over their future is the Tote, which has its headquarters in the borough and employs some 600 people. I note early-day motion 578, tabled by the hon. Member for Tewkesbury (Mr Robertson) and sponsored by my hon. Friend the Member for Wigan (Lisa Nandy), and I ask the Minister to commit to retaining the Tote's headquarters in Wigan. This would protect the employment of its staff and the acknowledged expertise and professionalism that they possess.

Some of my constituents travel out of the Wigan borough to work, and I must mention the overcrowding on the trains to Liverpool and Manchester. The Greater Manchester chamber of commerce has rightly pointed out the significance of the rail network to the future economic success of the Greater Manchester area. I would welcome an indication from the Minister that investment in the northern hub, in electrification and in the commissioning of rolling stock to ease overcrowding will be forthcoming.

This Government seem determined to silence all the voices that speak for our region. They have already axed the regional development agency and abolished the Government office for the north-west. However, as one of my new Labour party members said, we have seen both parties in this coalition Government go through the Lobby and vote for measures that will disadvantage the poor and vulnerable, including introducing selective education and increasing VAT. They are standing up to be counted, and it is time for us to do the same.

4.15 pm

Glyn Davies (Montgomeryshire) (Con): Over the last three years during which I was a parliamentary candidate, building up to the last general election, many people in Montgomeryshire asked me what specific issue I would get involved in if I became an MP. I nearly always told them that the issue of particular interest to me was the relationship between the National Assembly for Wales, of which I had been a member for eight years, and this Parliament in Westminster. That relationship is indeed the subject that I would like to speak about today. I know that not everyone in the Chamber will share my obsession with the detail of devolution and the transfer of powers to Wales, so let me provide a little context before I raise three specific aspects of the issue.

The National Assembly for Wales was established in 1999 on the basis of the Government of Wales Act 1998, which followed a referendum of the people of Wales in 1997. The 1998 Act did not grant to the National Assembly for Wales any primary law-making powers; it had to depend on secondary law-making powers. That was the position until a new Government of Wales Act 2006 was passed, under which primary law-making powers were indeed granted to the National Assembly for Wales, albeit by means of what at least some of us thought was a very complex and bureaucratic system. I do not think that it has been successful.

What has transpired is that in the first quarter of next year there will be a very significant referendum for the people of Wales, in which they will be asked to vote on whether they want to move to part 4 of the 2006 Act. That would enable the primary law-making powers in all the devolved policy areas to be transferred to the

Assembly. The essential difference between the position now and the position after a yes in the referendum is that all the primary powers in devolved policy areas would be transferred all in one go rather than bit by bit through the complex process I mentioned, which is what obtains at the moment.

As I said, I wish to touch briefly on three particular aspects of the relationship between this House and the National Assembly for Wales. The first is the date on which the referendum should be held. I have always taken a very strong view on that. It is not that I worry particularly about when the date should be. The National Assembly Government believe that the date should be on or before the next Assembly election on 5 May. I do not mind about that. What is hugely important to us here is that this should be recognised as the general election for the National Assembly for Wales—the Welsh general election—and another important constitutional issue should not be decided on the same day. There is an issue in this House relating to that. As to whether the law-making referendum should be on the same date as the Welsh general election, I have taken the view for two or three years that it should not be. I have expressed the same view in saying that the alternative vote referendum should not be held on the same date as the general election.

The second important issue revolves around the powers. Currently, devolved powers are set out in a schedule. Before the referendum on 5 May takes place, the range of powers to be included in schedule 7 will be a matter of debate, and it is possible that several other powers beyond the currently devolved powers will be included. As yet, the debate has not really started, but it is time that it was, as this is a hugely important matter. We need to be aware of exactly what powers will be devolved well before the referendum takes place.

The third issue is also important, in my view. When a power is devolved from this place to the National Assembly for Wales, it is not the end of this place's involvement. In my constituency, a number of devolved matters depend hugely on the wish on the English side of the border to ensure that they are dealt with properly. Let me give a couple of examples.

A few weeks ago, a little girl collapsed at her school, Llangedwyn primary school, near the English border. The situation was serious, and an ambulance was called. There was an ambulance station no more than 3 or 4 miles away, just over the border in England, but the ambulance was called not from that station but from a station perhaps 25 or 30 miles away. That young child's life was put in danger by the bureaucratic difficulties involved in efficient management of the relationship between the two sides of the border, and, unless we are very careful, similar cases will occur simply as a result of the devolutionary process.

The second example relates to the connection between my constituency and the midlands. Road improvement—I am thinking specifically of the A458, but it is the principle that matters—is crucial to the economy of mid-Wales and to my constituency. An improvement programme costing about £30 million could have gone ahead, but at least 90% of the work would have been done in Wales. The Government of Wales were hugely committed to the programme, but about 5% of it involved England. As no economic benefit would flow to England from the development, it was not seen as a priority there, and it has not gone ahead. If a strategic view had been taken of the benefit to the United Kingdom it probably would have gone ahead, but because of the relationship that exists between the two sides of the border as the devolutionary process settles in, it dropped down the list of priorities.

The devolutionary process is continuing and will continue, whether or not there is a yes vote in the referendum. We in the Chamber must make certain that when an issue is devolved, we retain our interest and do our best to ensure that services to our constituents in Wales are not disadvantaged by the fact that there are two Governments on the two sides of the border, following different policies.

4.22 pm

John Cryer (Leyton and Wanstead) (Lab): I congratulate the three maiden speakers, the hon. Member for Witham (Priti Patel) and my hon. Friends the Members for Livingston (Graeme Morrice) and for Hyndburn (Graham Jones). However, I should point out to the hon. Member for Witham that when Napoleon said that Britain was a nation of shopkeepers, he did not mean it strictly as a compliment.

I was very pleased that my hon. Friend the Member for Livingston mentioned Robin Cook. I remember, when I was in this place before, hearing Robin Cook's speech when he resigned from the Government. He held the House of Commons in the palm of his hand. I have rarely seen someone make such a powerful speech. Shortly after that, 139 Labour MPs went into the Opposition Lobby and voted against the Iraq war. The suggestion that we are now hearing from the Liberal Democrats that theirs was the only party that opposed the war as a matter of principle is absolutely untrue.

As a matter of fact, I remember occasions on which we went into that Lobby—maybe 30 or 40 of us from the Benches on the Government side of the House—and the Liberal Democrats stayed here, sitting on their hands, because at that point it was not entirely clear in which direction public opinion was going. Only when public opinion was clearly swinging against the war did the Liberal Democrats decide to vote with us in the Opposition Lobby.

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): Wrong way round.

John Cryer: No, it is not. That is the right way round.

It is five years since I took part in a pre-recess Adjournment debate. Such debates have become something of an institution. It is a sort of whingeing gits day, enabling us to get a few things off our chests. I am pleased to note that a number of speeches, particularly from Members on the Government Benches, have followed that tradition.

I want to begin by raising an issue which I hope concerns us all, namely unemployment. You might be right-wing, you might may be left-wing, you might be a Liberal—you would be a prat, but you might be a Liberal—but I hope that the issue of joblessness concerns Members on both sides of the House.

Madam Deputy Speaker (Dawn Primarolo): Order. I am sorry to interrupt the hon. Gentleman as I know he is getting into his stride now, but if he could pay attention to some of his language that would be helpful.

John Cryer: I apologise, and I withdraw that comment and will find another way of making my point at another time.

Returning to the subject of unemployment, we have been told by a number of Ministers, and especially the Secretary of State for Work and Pensions, that people should be prepared to travel around the country. That goes back to the time of "uncle Norman" telling all of us—and I was one of them—to travel around the country in search of work.

I want to draw attention to a specific example. A constituent of mine lost his job some time ago. He was on jobseeker's allowance for six months, and the local jobcentre in Leytonstone in my constituency was very helpful and provided the resources to allow him to travel to interviews around the country. He therefore found a job at the other end of country, in the north—following the advice of the Secretary of State and other Ministers—but he then found himself in difficulty, because he had to try to find resources for a deposit for accommodation and also living costs for the period between starting work and receiving his first pay packet. He was offered three alternatives. First, there was a crisis loan, but that can only be used for very narrow purposes so it was not available. Secondly, there was the advance to wages scheme, but that would only provide £50, which was not enough. Thirdly, there was the adviser discretion fund. That could have provided £300. The problem, however, is that that has now been cut to £100. Therefore, in circumstances of fairly widespread unemployment and possibly rising deprivation when we have been told that our constituents must travel around the country in search of work, the Government have cut the adviser discretion fund, thus making it more difficult for them to travel around the country—or any distance—in search of work.

The second subject I want to draw attention to is the vexed issue of the Building Schools for the Future programme. I have lost all seven BSF projects in my constituency. Seven schools were going to benefit from BSF projects, but all of them have now been cancelled. I think we all know why the Library keeps receiving inaccurate lists of cancelled projects. When the Tories and Liberals came into government they found that a number of contracts were about to be let so they thought, "We'd better cancel them quickly—put the boot in—to make sure that loads of these potential projects get cancelled." They therefore rushed the list through in an inaccurate form because they did not do the background work—they did not allow the Department to do the research. As a result, we have inaccurate lists placed in the Library and then we get officials scurrying around again trying to revise them and put new lists in the Library.

Sadly, however, in my case it looks as if the list is accurate. I wish it was not. Some of the schools that would have benefited from a BSF project are literally crumbling. Teachers, pupils, governors, the heads and the support staff and others in these schools have been struggling for years under very difficult circumstances. Nobody would argue that we get brilliant teaching if we have great buildings, but the reality is that if teachers are teaching in a crumbling school that inevitably affects the quality of their pupils' education. BSF provided the light at the end of the tunnel, and that light has now been extinguished.

My hon. Friend the Member for Walthamstow (Stella Creasy) and I both represent constituencies that fall within the boundaries of the Waltham Forest borough, and since the BSF announcement was made we have been requesting a meeting almost on a daily basis, but the Secretary of State for Education has not yet managed to get back to us to say we can have a meeting about an issue that goes to the very core of why we are Members of Parliament.

I would like the Deputy Leader of the House to consider having a quiet word with the Secretary of State and recommending that he pulls his finger out. I am sorry I made those slighting comments because I have just realised that the Deputy Leader of the House is a Liberal so I did not do myself any good, and I do not regret what I said. Perhaps he could have a quick word with the Secretary of State for Education, telling him to pull his finger out and meet my hon. Friend and I and the leader of the council as soon as possible.

My final subject, which I want to touch on very briefly, follows on from comments made by the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) about the referendum on the voting system. We are in a surreal situation. The only one of the three major parties that went into the election with a commitment to a referendum on the alternative vote versus the first-past-the-post system was the Labour party. Personally, I am a supporter of first past the post. I thought it was absolute nonsense sticking that in our manifesto—but then, I did not write it. The two parties that are now in government went into the election, when in opposition, without any commitment to a referendum on AV or first past the post; yet now they are in government, they propose to have one.

This will not sort out the issue for Liberal MPs, because what they want is proportional representation. Of course, the Deputy Prime Minister would love that, because if we had PR he could go into meetings in back-rooms, ditch all sorts of commitments he has just fought the election on—such as on the replacement of Trident—and go back to the voters and say, "I did stand on all those commitments but sadly I've had to dump them all because I've done a deal with the Tories." He would love such a system, and if we ever have that kind of future in British politics, that really will be a menace.

4.31 pm

Nick de Bois (Enfield North) (Con): May I add my congratulations to the hon. Members for Hyndburn (Graham Jones) and for Livingston (Graeme Morrice), and to my hon. Friend the Member for Witham (Priti Patel), on their maiden speeches? I was advised early on that one should wait some considerable time before making one's maiden speech. I foolishly chose to ignore that advice, and today was a perfect example of why it was such good advice.

I want to take this opportunity to articulate the frustrations of many commuters in my constituency of Enfield North, who, frankly, have been ignored for

years. I have campaigned for at least five years to try to improve the level of commuter services. The rail operator that serves the bulk of the constituency—National Express East Anglia—and its predecessor brand both failed to recognise something that they should know: that the conditions on the trains are frankly unacceptable, and that their frequency and reliability are generally poor. I even had a National Express manager tell me that, although it had rolling stock, it had chosen not to put the required additional stock on some of the Enfield North local lines because we were bottom of their list of priorities. That is no comfort to my constituents, who pay zone 6 fares.

We also suffer from generally ill-kept stations which could do with a deep clean. Staffing at stations is limited and often non-existent; late at night, of course, that does not encourage a feeling of safety and security. Sunday services are non-existent. Many loyal Tottenham Hotspur fans travel regularly to see their team—is that not suffering enough? *[Interruption.]* I will not be forgiven for that comment, but to add to that the indignity of an unreliable service on a Sunday, when engineering works are scheduled to coincide with important travel days, just does not make sense and reflects the attitude of neglect towards my constituents.

I do not want the House to take my word for it. The statistics show that Network SouthEast had the lowest satisfaction ratings of all the services in the south-east and London. That is not good enough, but what do some of my constituents say? With perfect timing, I received a letter from some constituents only yesterday. They say that

"our local trains seem unable to move, therefore leaving us stranded on platforms, and"—

when they finally get on to the train—

"having to travel like cattle in sweltering carriages."

All that they request are more carriages and an increase in the number of timetabled trains, which is not unreasonable. They even ask—this shows how bad things are—for a

"replacement bus service to Tottenham Hale when the line is closed for work".

How many of us groan when we are offered a replacement bus service? My constituents want one because they see it as an improvement—how shocking is that? As I have said, they have to pay the most in our area, which is in zone 6.

National Express's reply was most illuminating, because after several paragraphs of basically saying, "No change", it said, "Please go to our improvement plan on the website." Hon. Members will not be surprised to hear that that link, which I tried only this morning, does not work either. The frustration is all too evident. *[Interruption.]* As my hon. Friend the Member for Sittingbourne and Sheppey (Gordon Henderson) says from a sedentary position, it is much like the website of the Independent Parliamentary Standards Authority.

I wish to be constructive, because I am confident that my constituents will welcome the steps that were announced by the Minister of State, Department for Transport, my right hon. Friend the Member for Chipping Barnet (Mrs Villiers). It is encouraging that we will ensure that new rail franchising systems will impose demanding performance requirements based on passenger outcomes and satisfaction. It is also good to know that if operators do not meet those requirements they could ultimately face the serious sanction of losing their franchises. We believe and welcome the idea that longer franchises will lead to greater investment and perhaps to greater improvement in services. That is vital.

I understand the role of the carrot and the stick, but I urge the Government, in the spirit of localism that I am keen to embrace, to consider one or two other opportunities. In particular, as we approach the round of new franchises, we have the chance to consider two important possibilities. First, should we consider allowing greater local control over train services operating in the London area? Secondly, and more importantly, should there be greater local input into the new franchise negotiations?

What could we gain from that? A locally accountable transport authority would know how vital transport is to the local economy and would understand the micro-issues affecting local commuters far better than a rail operator. Such bodies answer to voters and can respond more effectively. There is an incentive for them to have issues fixed, to ensure rail performance, to ease overcrowding, to address safety in unsafe stations and to put those issues up the agenda. Significantly, they would also be ready to provide input into future negotiations. I am very keen that the experiences of my constituent commuters in the past five years should not be wasted. Instead, we could gain real intelligence about many of the shortcomings on the ground, which could then be considered when dealing with services. This issue is of great importance to people who spend two to three hours a day getting in and out of work.

Who could fulfil that task? Is there a role for Transport for London or the local authority? Should we give statutory weight to such a body? I put these ideas on the table because in areas such as health, education and housing, we are leading the way on greater devolvement locally and greater local involvement and decision making. However tempting it might be, I do not propose that local people should write the timetables or decide the level of rolling stock, but I do propose that the people of Enfield North and elsewhere should have the opportunity to have their local say on a matter of such great local importance.

4.39 pm

Nick Smith (Blaenau Gwent) (Lab): I congratulate the hon. Member for Witham (Priti Patel) and my hon. Friends the Members for Hyndburn (Graham Jones) and for Livingston (Graeme Morrice) on their excellent maiden speeches.

I want to talk about an issue of particular interest to me: public health policy and the action that the Government can take to promote health and well-being. First, though, I want to wish my constituent Hilda Barwell a happy birthday and to mention National Eisteddfod, Wales's greatest language, arts and cultural event, which is coming to Blaenau Gwent this week. Hilda Barwell has been a terrific example for all good Labour members in Blaenau Gwent. When she was 16, one of her first actions as a trade unionist was to lead a strike to improve working conditions in the Berlei factory in Ebbw Vale. There was no heating in the factory and mice were running across the feet of her fellow workers—it was a bit like the Tea Room in this place. Hilda has been a terrific campaigner over the years and, even now, she

[Nick Smith]

runs the Blaenau Gwent centre for the disabled. She is always putting others first, so a belated happy birthday to Hilda.

As I said, the National Eisteddfod is coming to Blaenau Gwent next week. Many share my belief that arts and culture can play their part in helping community regeneration. I hope that the Eisteddfod will be an important opportunity to help to renew our valleys and towns and to build a better Blaenau Gwent. I particularly want to highlight the fact that Susan Robeson will be visiting the Eisteddfod to show a documentary about her grandfather Paul Robeson, the great singer and human rights activist. He famously visited the Eisteddfod in Ebbw Vale in 1958 as a guest of Nye Bevan, the then local MP. Nye's invitation followed on from the successful campaign to let Paul Robeson finally travel abroad, which he had been banned from doing by the American authorities because of his radical views on civil rights. It is good, more than 50 years later, that we are able to celebrate the historic occasion of those great men working together

Despite its shortcomings and omissions, I am proud of Labour's record on public health, especially with regard to tackling smoking in public places. However, I am dismayed by the coalition Government's recent abdication of their responsibilities on public health. It is well documented that alcohol abuse can cause physical and mental health problems, and we have all witnessed the antisocial behaviour that alcohol can fuel. Of course, the reasons for alcohol abuse are complex, and social drinking is an established part of our national culture, but we can take action.

Only a few weeks ago, the National Institute for Health and Clinical Excellence set out proposals to curb excessive drinking. However, its recommendations of a ban on alcohol advertising and a minimum price for a unit of alcohol have proved controversial. Indeed, the Secretary of State for Health has already ruled out minimum pricing, and instead we are told that the Government will

"report back in the autumn on the scope for targeting alcohol duty at the products most associated with binge drinking and under-age consumption."—[*Official Report*, 22 June 2010; Vol. 512, c. 178.]

The Secretary of State says that he is worried that minimum pricing disproportionately affects the poor, but so do public spending cuts and increasing VAT, and that has not stopped the Government, so I doubt that that is his main reason. Indeed, we do not know whether that is true. Academics argue that the better-off spend far more on alcohol than the poor. Logic leads us to believe that young people have the least to spend on alcohol, so raising the price might mean that they consume less. Surely that would be a worthy public health outcome. The fact that Tesco has come out in favour of a minimum price is a helpful start. I would like a sensible discussion about minimum pricing, because I believe that it would gain the support of the majority of the public.

The Labour Government gained such public support over time for their ban on smoking in public places and then, with the universal support of the medical profession and health campaigners, they legislated to remove cigarettes from public display and to ban cigarette vending machines from pubs. However, the introduction of those public health initiatives has stalled. Again, the Government are reviewing the matter,

"given the challenges facing business competition and costs."—[*Official Report*, 15 July 2010; Vol. 513, c. 891W.]

Labour prefers to tackle the challenges of smoking-related deaths and illness, and their devastating human cost and costs to the national health service. As Action on Smoking and Health has said:

"After all the election promises about public health, surely the coalition can make a better start than by caving in to the tobacco lobby".

Of course, the coalition Government have given in not just to the tobacco industry, because the food industry's advances have also been successful. The industry lobby has stopped the introduction of the consumer-friendly traffic light warnings for food, and instead we are to have guideline daily amounts. Linked to that, the Government are to weaken the Food Standards Agency. The agency will lose its role to promote healthy eating, which was described by a Government adviser on food policy, Professor Tim Lang of City university, as a "retrograde step".

The Secretary of State for Health has also attacked initiatives to improve school meals. He says that he wants to avoid confrontation, which he claims was the hallmark of the Labour Government, but I do not believe that Labour's promotion of healthy school meals was confrontational. Jamie Oliver's promotion of good school dinners was hardly a public health blitzkrieg; rather, it raised awareness of an important public health issue.

However, we must confront stark health inequalities. In Blaenau Gwent, average male life expectancy is just over 78. Just 10 miles down the heads of the valleys road in Usk, it is 85. That cannot be right. Good employment is crucial for improved public health, but we must also address the key issues of diet, smoking and alcohol. Healthy living must be promoted by a real progressive Government. Where is the Lib Dems' voice in this vital debate? Why have they not championed the consumer rather than the producer? In public health, why have they not intervened with their political partners to give our children and young people protection from less healthy food, from tobacco manufactures trying to recruit new smokers, and from low-price alcohol and the binge drinking that it sustains? When one man's regulation can be another man's vital public health protection, their coalition, laissez-faire agenda is already going too far. When the Lib Dems meet at their conference in the recess, perhaps they will look again at their public health policy, and strengthen, not weaken, these commitments. The public health agenda is too important to all our young people for the Lib Dems to be complete poodles and accept this laissez-faire lead from their majority party partners.

4.46 pm

Mr Mike Hancock (Portsmouth South) (LD): If I may take a leaf out of the introduction to the speech by the hon. Member for Blaenau Gwent (Nick Smith), I would like to wish happy birthday to everyone in Portsmouth South who has a birthday today. That covers that one. I cannot name individuals. *[Interruption.]* The hon. Member for Henley (John Howell) also has a birthday today. Happy birthday to the hon. Member. I

am sure that the whole House is delighted about that, and we will all be round his house tonight for drinks. I would also like to congratulate all those who made their maiden speeches today. It is always a formidable task, but it feels so good once it is over. I am sure that they all feel a lot better for that experience being done and dusted.

When the hon. Member for Leyton and Wanstead (John Cryer) was on the Government Benches in his first incarnation in the House of Commons, he called most of the then Government prats—*[Interruption.]* I think that he did, and I hate to think what other names he called them, on more than one occasion, when I was sitting where he is sitting now. I can only suggest that his change of tack, and his direction of attack, is because he seeks a job in a reformed shadow Cabinet, so we will look with interest at how he develops.

I want to raise five points. The first point concerns the huge problem faced by my local authority, among others—once again, I declare an interest as I am still a member of Portsmouth city council—whereby more than 3,300 properties are occupied by students, none of whom pay council tax because they are exempt, and those who own the properties, who are running them as very successful businesses, do not pay business rates on them. That means that our city is deprived of a council tax take of nearly £3.5 million a year. Nevertheless, we have to provide all the services: the fire services, the police—through the police precept—the rubbish collection and the street cleaning.

I therefore want the coalition to consider seriously the idea of charging business rates on those very successful businesses that make a huge amount of money out of student lettings. I do not want to see the cost passed on to students, because students are already paying extortionate rents for some of the rooms that they rent, where five students in a property pay upwards of £70 a week each for a room. A lot of money is being made by somebody. In some instances, very small houses are turning over £50,000-odd a year, and no tax is being paid to the local authorities—and that loss to local authorities is magnified throughout the country. There is something wrong somewhere, and I want the Government to tackle that issue.

I had the privilege of chairing a debate in Westminster Hall on changes in the benefit system, particularly changes in housing benefit. Those present for the debate might easily have been led to believe that it was only a London problem, but I assure London Members who took part in the debate that it is not. When large numbers of people claim housing benefit there is a consequence, and individuals on jobseeker's allowance will not find it easy to cope with that.

Some people whom I represent are being told that if they do not get a job within 12 months they will lose 25% of their benefits, and I do not know how they will be expected to live with that, or even pay their rent. Landlords will not lower their rent. I would love to think that the policy was a method of forcing landlords to reduce their rent, but I cannot possibly see that happening, because in cities such as mine landlords will opt to house students, and people with children will again be queuing up at the local authority's door claiming to be homeless. Where will the local authority put them? I do not know. In my city our housing waiting list is longer now than it was in the months after the end of the second world war, when one third of all housing had been bombed and 50% had been seriously damaged. We have a huge housing problem, so I want Ministers to take note very carefully, because it is not just a London problem. It affects all our constituencies, and I want us to take that seriously.

I, like other Members today, want to express my concerns about Building Schools for the Future and the disappointment factor. The programme involves 11 schools in my city and several in my constituency, one of which was only weeks away from having everything signed and sealed. If the statement had been made after the recess, the project would already have got the go-ahead. Work on the two schools most affected by the cut would probably have gone ahead and the Secretary of State would have had to include them, so I really want the upcoming review to send a positive message to the many disappointed parents, teachers, governors and, most of all, pupils throughout the country, stating that it will not only set the record straight on the fallacy of believing that all projects could be afforded, but give some hope to schools, such as those in my city, that have been swept aside in a rather cavalier way. I want some justice to prevail.

My next point is about the sad plight of something very dear to my heart—Portsmouth football club, and the shabby and awful way in which that club and, mainly, its supporters have been treated by the premiership. An organisation awash with money has allowed a great club, with a huge history of support from local residents over more than 100 years, to disintegrate. Next week in the courts, it will be trying to get Her Majesty's Revenue and Customs off its back so that it can at least hold on to its position in the championship, having been demoted from the premiership. I want some action to be taken. I know that Ministers will say, "It's not our job," but this is our national sport. It is Portsmouth today, but it could be many other clubs tomorrow. It seems that such action is okay when people are taking money out, but they do not want to put anything back in order to support the loyalty that fans have shown.

My final point is directed at my colleagues in the coalition. I was a big advocate of the coalition, because I did not think that anything else on offer was viable. I advocated it believing that we would introduce a fair way of dealing with the issues that we face—but I was not elected to see the poorest in our society suffer, and I want to put a big marker down to my colleagues in government by saying, "Please, please, please think seriously about the consequences of some of the things that the coalition is going to do over the coming months." After the election and the forming of the coalition, many people out there believed that there was real hope on the horizon. I do not want that hope to end in despair. I want us to be fair to those who need our help most, and I hope that we will be.

4.54 pm

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Before the House adjourns, I wish to place on the record the problems and concerns of my constituents as a result of road congestion through the villages of Mottram and Hollingworth, and mention the ongoing saga of the proposed Mottram-to-Tintwistle bypass. *[Interruption.]* I can see that there is a lot of immediate interest in the subject.

[Jonathan Reynolds]

If any hon. Members have ever driven between Sheffield and Manchester, they will probably have been delayed in my constituency. The journey from the end of the M67 in Hattersley to the junction with the M1 in south Yorkshire is a nightmare. The Woodhead pass is a convenient route across the country that avoids the M62, but its popularity has meant total misery for my constituents in Longdendale. I remind the House of my standing declared interest as an elected member of Tameside metropolitan borough council.

The latest figures given to me by the House of Commons Library tell me that, on average, 34,000 vehicles a day pass through the Mottram Moor A road in Hollingworth. That is an astonishing amount of traffic for small villages to cope with. It means that people cannot leave their houses, that the noise is unbearable and that the pollution levels are completely unacceptable, particularly in the playground of Hollingworth primary school, of which I am still a governor.

Many Secretaries of State for Transport have visited us and promised improvements; in fact, I believe that one made the journey, promised us that something would be done, but unfortunately was sacked on his journey back to London. That may explain the reluctance of more recent Secretaries of State for Transport to visit the area.

I am sure that hon. Members are wondering about the legislative history of the problem. The plans for a bypass in the area date back to the 1990s. They were extolled in the Conservative Government's "Roads for Prosperity" White Paper in 1989, following a public consultation process. A preferred route was selected in October 1993, but work was suspended in 1996 following further Government reviews of the national road building programme.

In July 1998 the Labour Government published "A New Deal for Trunk Roads in England", which also included the bypass. In November 2002 the Highways Agency submitted a report to the regional planning bodies, and the local communities affected by the congestion presented a petition with more than 9,000 signatures to Downing street a few months later. I was part of that local deputation. The preferred route for a bypass in the area was not without its opponents. The very tip of the new road would have entered the territory of the Peak District national park, whose representatives naturally raised concerns. However, many objections were also raised by people who had never visited the area and wrongly assumed that most of the new bypass would be in the park.

The public inquiry into the bypass opened on 26 June 2007. After several adjournments to consider the evidence submitted, the public inquiry was adjourned indefinitely in December 2008, following the submission of inaccurate data by the Highways Agency. I shall stand corrected if this is not the case, but I believe that it got the length of the Stocksbridge bypass wrong. That should be a concern, given that it is the Highways Agency. After further delays throughout 2008, the public inquiry was abandoned, as the cost of the scheme had gone up steadily in the intervening years and funding had been allocated elsewhere. I have to report that as a result, there is considerable bitterness in my constituency at the performance of the Highways Agency.

To move things forward, Tameside metropolitan borough council, my local authority, began working on a wider solution, which incorporated a smaller new road with other traffic restraining measures. The scheme currently has resources allocated to it from the regional funding allocation, but we await the comprehensive spending review to see whether they will still be there in October. Local campaigners have been very demoralised by the lack of progress. I pay tribute to Mike Flynn, Bob Haycock and David Moore for keeping the campaign going. They know that they will always have my support.

The problem is national, not local: the traffic congestion is not caused in my constituency or borough. The Government must recognise that the problem comes from outside our area, and allocate resources to find a solution. I am not prescriptive about what that should be, but I feel that some new road capacity in the area is essential if a solution is to be meaningful.

Some will say that any new road capacity increases pollution, as it makes a journey more favourable for other road users. For me, that misses the point; the important thing about pollution in any given area is the number of receptors of that pollution—who is breathing the pollution in. If there were an increase in traffic in the Longdendale valley as a whole, the receptors would be the vegetation along the side of the new bypass or similar road, and that would be far preferable to the current situation, in which the receptors are my constituents along Hyde road, Mottram Moor and Market street in Hollingworth, and the schoolchildren in Hollingworth primary school.

Other options have been suggested as a potential solution, including, most notably, a weight restriction on heavy goods vehicles using the Woodhead pass. I am open to any ideas that would provide a solution, but my concern with the weight restriction is that it would damage the local economy in Tameside, which seems unfair given that the problem comes from outside our area.

Whenever transport problems are raised, this question should always be asked: is a public transport solution available? In all honesty, when I look at the situation in Longdendale I cannot see how that can be the case. In addition, it cannot be denied that the coalition has given us a new ministerial team at the Department for Transport who, rightly or wrongly, are perceived as having little interest in the subject generally. If the rumours are true, in October my constituents could face not only the loss of the money allocated to deal with the specific congestion problem but the loss of the new rolling stock for the railway in Greater Manchester, the loss of bus services in the area through the slashing of the bus operators grant, and rail fare increases of RPI plus 10%. That would be a very dark day for transport in this country, and it would cause significant economic damage to constituencies such as mine.

My constituents face an unbearable situation that the Government need to recognise and help to address. To refuse to do so—I say this quite genuinely—will lead to civil disobedience in the area. The status quo is not an option. I therefore ask the Deputy Leader of the House to make efforts to arrange for me and other local representatives to meet people from the Department for Transport prior to a spending review announcement, to encourage the Department to announce which A roads it believes to be suffering from unacceptable levels of

congestion and announce a strategy for dealing with them, and to ask a Minister from the Department for Transport to visit my constituency to see for themselves the intolerable situation that my constituents contend with on a daily basis.

5.1 pm

David Morris (Morecambe and Lunesdale) (Con): It has been a very interesting three months for a new Member of Parliament, watching with fascination the whole process of governance at this level. I have sat through and voted on very many Bills and pieces of legislation over the past few months. We have all been working hard across these Benches on our respective issues. I would like to outline what has been going on in my constituency in relation to the coalition policies that affect it, and how, in the past three months, things have been moving in a positive direction.

Sunderland Point in my constituency—to describe it as beautiful is an understatement—is a sliver of land that can be reached at low tide. Being in the area is like stepping back in time to the 1700s; it has never changed. Most of the buildings are grade II listed. The previous Government, in their wisdom, told the Environment Agency to take away the historical context of protecting the shoreline management, but I am happy to report that the area has had a partial reprieve because the Environment Agency has assisted with the inshore "Hold back the line" scheme to allow the tide to come in. That is well short of what I would like to see—world heritage status for Sunderland Point—but it is a step in the right direction. Once such areas are lost to the elements, we will never get them back. This does not only apply to my constituency—it could be said of areas all around the country.

Moving up the coast to Heysham, I have heard a few of the gibes in this House and seen the internet blogging that says, "David Morris glows in the dark because he is pro-nuclear." The truth is, however, that the nuclear power station is the largest employer in Heysham, and I am unashamedly pro-nuclear. Some Members disagree with me, but I still find them absolutely delightful. That is what makes us great. This is our debating Chamber; it is why we are here. I would like to see a third project being built at the nuclear power station in Heysham, and I would like more nuclear power stations to be built all across the country. I am very concerned, like most Members, that the lights will go out in 10 years' time. Although I posed a bit of an awkward question to the Secretary of State for Energy and Climate Change this afternoon, I agreed with 95% of his statement. I disagree with him on the nuclear issue, but we are here to fight the corner of our constituents and of what we believe is right.

The hon. Member for Stalybridge and Hyde (Jonathan Reynolds) talked about the building of a bypass, and I have a similar problem. Such problems arise up and down the country. In my case, plans for the road in question have been in formulation for the past 60 years. Its building was rubber-stamped by the previous Secretary of State, and we even appointed a developer, but of course there is no money in the kitty so it has to stop.

I have to press the issue, and not just I but my hon. Friend the Member for Lancaster and Fleetwood (Eric Ollerenshaw) is working hard on it. In our area of Lancashire, Heysham port is a key strategic route out to Northern Ireland and the rest of Europe. A shipping company recently built two special ships that could sail in and out of the port, which were needed because of the depth and dredge of the harbour. They cost about £70 million. I am sure that all Members would agree that if a building were constructed in their constituency for £70 million, it would be headline news. However, we cannot get the traffic off the M6 to Heysham port quick enough, and there are problems with transport in Lancaster. We are all trying to get green transportation initiatives working, with the jobs that they will create. We all implore the Secretary of State to put roads in our areas at the top of the list, and I do so because the road in question would be a key strategic route to the rest of the country.

On a nicer note, Carnforth station, which was the scene of the movie "Brief Encounter"—I am sure a lot of Members have seen that David Lean classic—was rebuilt many years ago. The catalyst was a chap called Peter Yates, who was been working with me to try to see through his dream. The rebuilding was successfully completed, and I will give the visitors' centre a plug. It is excellent, and the station has been transformed and restored into the scene of "Brief Encounter". People from all over the world go there to propose at the table where the character got grit in her eye, and it is something to see. We have been working hard over the past three years to get Virgin Trains to stop and take on passengers in Carnforth. It has agreed to that in principle, which will open up tourism in the area and get cars off the road and promote green tourism.

On green issues, I am not against wind farms, despite what a lot of the blogs say. I just have a vision of them, like Martians across the landscape, in areas of outstanding natural beauty. I have the Lake district to my north and the trough of Bowland to my south, and in the middle is the Lune valley, or Lunesdale. It has not been categorised as an area of outstanding natural beauty, even though it is a beautiful area. Thankfully, I can report that Natural England is looking into stretching the AONB up to the borders of the Lake district, which would in effect negate the possibility of wind farm building there. I am absolutely certain that that would delight some of the area's residents, but it would also delight me personally because it is a beautiful area and I believe it should be kept for future generations. I do promote wind farms, but I will always say that they should be out to sea.

On a final note on matters that I wish to push forward, a school in my constituency closed about 12 months ago and the building is in mothballs. After all the controversy in our education debates about schools being regenerated and rebuilt, we have a school in the Lune valley that could be reinvigorated under the free schools programme and used as a school once more.

On a personal note, I have thoroughly enjoyed my first three months in the House and have met some very interesting colleagues on both sides of it—

Mr Deputy Speaker (Mr Nigel Evans): Order. On that point, I think we should move on.

5.10 pm

Sheila Gilmore (Edinburgh East) (Lab): As a new Member, I am only just getting my head around some of the traditions of this place, and I am glad that

[Sheila Gilmore]

Mr Speaker or the Deputy Speakers have not done to me what was done to a colleague of mine when we were rookie solicitors. She stood up to speak, and the sheriff said, "Miss C, I cannot hear you"—I will not give her name in case she reads *Hansard*, although I cannot imagine why anyone other than Members would do so. She raised her voice, as one would, and spoke louder, but the sheriff repeated that he could not hear her. Only after her voice had risen in volume considerably did it dawn on her that he meant he could not hear her because she was wearing a trouser suit. Things have moved on now, even in the Scottish courts.

One other delight of the maiden speeches and other speeches today is that they enhanced my geographical knowledge—I realise how little I knew about various parts of England. I was also interested in what my hon. Friend the Member for Bolsover (Mr Skinner) said about prefabs. I had the dubious delight of dealing with a similar situation in my ward when I was on the city council. We had to tell people that their prefabs had reached the end of their reasonable lives, but people really loved them. That tells us a lot about what people like in housing. When I dealt with housing on the council, I constantly told architects and planners that people like their little houses with their back and front doors that they can call their own. We still have a lot to learn from that.

Many of my constituents have come to see me. Last week, I was visited by a group of civil servants from my constituency who are concerned about the proposals in the Superannuation Bill. We will debate that in September, but in my discussion with my constituents we agreed that one big problem is that there seems to be a concerted campaign in parts of the media and, in my view, the coalition Government, to portray civil servants as fat cats, to ensure that the public do not have sympathy for them. When someone mentions civil servants, many people think of a Sir Humphrey figure—someone who frequents his London clubs, who is waiting for his "K" and who will indeed have a good pension—but the civil servants I met work in fairly ordinary clerical and administrative jobs. One might say that they are pen pushers or, these days, screen watchers, but they are not on high salaries and do not have huge pensions.

Average civil service pay is £22,850, compared with average private sector pay of £24,970. Sixty-three per cent. of civil servants earn less than £25,000, and the average civil service pension, taking out a few very high earners, is £4,200 per annum. I told those civil servants that I would do everything I could—as I hope other hon. Members will—to counter the impression of civil servants that is given in some parts of our media, so that we can acknowledge the important job that they do for other constituents, such as people who are waiting for their benefit payments or who are trying to get jobs by spending time in Jobcentre Plus. That is the other side of the coin. Those civil servants may be administrators and paper shufflers, but we need them very much.

During my election campaign, I said that I would take up the issue of housing benefit, and I have been particularly interested in the debates since the emergency Budget. I fully agree that the spend on housing benefit is too high, but the current proposals penalise the claimant without getting to the root of the problem. We cannot look at housing benefit without looking at the rest of the affordable housing budget. In 2007-08, housing benefit represented 85% of the total support for affordable housing, with only 15% coming from capital investment. In 1990, the balance was 59% to 41%. Every time I raise this subject, coalition Members point out that the Labour Government had 13 years to sort it out, and indeed they did. I said before I was elected that I would take up this issue, whoever won the election. It is an important issue, and I will urge our new leader, whoever it is, to address it seriously.

The temporary accommodation aspect of housing benefit has not received much discussion so far and is not covered by the current proposal, but it is very important. Every year in my city far more people apply as homeless to the council than it has council or housing association vacancies. We have good homelessness legislation in Scotland, under which everybody has a right to temporary accommodation if they need it, and by 2012—which is not that far off—they will have a right not only to temporary accommodation but to stay in that accommodation until a permanent offer is made. Temporary accommodation is becoming overcrowded.

When I was on the council, I was involved in setting up a private sector leasing scheme, which was meant to be a short-term solution until we got more houses. I know that the council is now considering extending that private leasing scheme for another five years, but it is an extremely expensive way of providing housing. In March this year, there were 1,600 private sector leased homes in the city, with an average monthly rent of £880. That is more than £10,000 per year per property, with a total of £16.8 million. Most of those tenants will get housing benefit. If some 70% of that cost is met through housing benefit, that is nearly £12 million. The affordable housing investment programme for Edinburgh in the past five years has amounted to £34 million, and £41 million in the last year, and for that some 500 houses are built every year. If we had the £11.8 million that is being spent on those private sector leased houses, another 150 houses could be built.

I know that we could not make the switch in one year, but if the coalition Government want to be the sort of Government that some people thought we would get out of a hung Parliament—in other words, one who listen to all sides—they would seek to address this, rather than making savings on housing benefit to set against the deficit. The savings could go towards building the homes that people so desperately need. If we planned for that over a 10-year period, we could make a real difference. I hope to be part of that over the next four and a half years.

5.18 pm

Gordon Henderson (Sittingbourne and Sheppey) (Con): May I say how delightful it has been this afternoon to listen to such a varied debate? I congratulate those hon. Members who made their maiden speeches—and many of the hon. Members who made not so maiden speeches.

I wish to raise a subject of great concern to many of my constituents: the proposed closure of the magistrates court in Sittingbourne. I understand that hon. Members on both sides of the House will be concerned by the potential loss of their local court and will lobby Ministers hard in an effort to save it. In those circumstances, it is

perhaps difficult to argue that my own local court should be treated as a special case, but that is exactly what I propose to do.

This is not the first time that Sittingbourne magistrates court has been considered for closure. However, during the last review, a decision was taken to retain the service, not least because of the unique nature of its catchment area. Sittingbourne magistrates court serves a wide area of north Kent, including the borough of Swale which has a population of 132,000 and is the second most deprived area in the whole of Kent. There are pockets of severe social and economic deprivation, particularly on the Isle of Sheppey. Some 15 neighbourhoods in the borough are in the 20% most deprived areas nationally, with 11 of those areas being located on Sheppey. As you will be aware, Mr Deputy Speaker, people living in deprived areas often make up a higher proportion of court users than people from more affluent areas.

Those people are also more likely to rely on public transport—and that is the nub of the problem. Public transport and links between Sheppey and the mainland are very poor. People without their own transport and who live at the east end of the island will be particularly hard hit by the closure of Sittingbourne magistrates court. If somebody from Leysdown was involved in a court case held in Medway that happened to finish late in the afternoon, it would be almost impossible for them to get home by public transport, because by the time they would have walked from the magistrates court in Chatham to the railway station, caught a train to Sittingbourne and then another train to Sheerness, they would be faced with missing the last bus to Leysdown, which leaves from Sheerness at 1 minute past 6 in the evening.

I use Leysdown as an example, but many other rural communities in my constituency are facing a similar problem. However, islanders in particular would be particularly miffed about the closure of Sittingbourne magistrates court, because until relatively recently, Sheppey had its own court, as did Faversham, which is close by. When that court was closed, we were promised that the court in Sittingbourne would remain open. Closing our last remaining court in Swale would be a betrayal of some very vulnerable people.

I turn briefly to the consultation document that sets out some of the criteria being used to determine the need for a court. One of the criteria is that people should be able to reach a court within 60 minutes using public transport. Helpfully, the consultation document also includes a fact sheet that describes Sittingbourne magistrates court, its work load, its accommodation, the implications for staff and costs and its location, including journey times from Sittingbourne to Canterbury and Chatham, the alternative courts.

Mr Deputy Speaker, you probably will not be surprised to learn that conveniently for the Ministry of Justice the train journey times shown are well within the 60-minute guideline. Unfortunately, however, the figures are not all they seem. For instance, the times quoted are station to station and take no account of the time it would take somebody to get from their home to Sittingbourne station at one end, and from the station to court at the other end. There is also a glaring omission in the consultation document fact sheet. The map that was conveniently and thoughtfully provided to show the relative locations of the courts has airbrushed Sheppey from existence—which is particularly worrying for those of us who live on the island.

To remove the Isle of Sheppey from the equation when considering the future of our only remaining magistrates court is simply unacceptable. To suggest, as the document does, that somebody living at the eastern end of Sheppey could travel to either Chatham or Canterbury in less than 60 minutes is laughable. It is a journey that even with the right connections can take two hours. Closing Sittingbourne magistrates court, and forcing defendants and witnesses to travel either to Canterbury or Chatham, would turn justice into a public transport lottery. I have already made representations to the Ministry of Justice on behalf of my constituents in Sittingbourne and Sheppey, and I urge Ministers now to listen closely to my pleas and announce that our local court will remain open. I plead with them not just for myself, but for all those vulnerable constituents living in this deprived area.

5.24 pm

Chris Leslie (Nottingham East) (Lab/Co-op): Many of my constituents in Nottingham East are from the Pakistani and Kashmiri population, and have friends or family living in Kashmir and that part of the world. They are increasingly concerned about the ongoing dispute and the problems that remain unresolved between India and Pakistan over what is a disputed territory. I am not a world expert on the issue, but I have had a number of constituents continually raise it with me, and I felt it important to take this opportunity to raise it today, especially as I do not believe that the Kashmir question, from the list of all the international problems worldwide, is aired as frequently as it should be.

Obviously many Members will be aware of the post-war settlement of 1947-48, when the area was partitioned. There was a significant amount of conflict, and when the line of control was established, drawing up the boundaries around the various Indian and Pakistani-administered parts of Kashmir, that set off a chain of events. That chain of events involved the United Nations drawing up a resolution aspiring towards some level of eventual self-determination for the people of Kashmir, so that they could decide their future fate and hopefully achieve a peaceful and democratic outcome. Unfortunately, since then there have been at least three major conflicts between India and Pakistan in the area, some of which have come close to becoming very major conflicts indeed.

Although I understand the Indian concerns about the ongoing possibility of infiltration from across the border—many of those concerns are legitimate—and although I accept that there are human rights concerns in the Pakistani-administered parts of Kashmir, it is the human rights questions that arise so frequently in the Indian-administered part of Kashmir that have caused such great concern among many of my constituents. Although the news is difficult to verify—there are very few independent observers and very little reporting by a free press—there are reports of thousands and thousands of people losing their lives in the conflict, with up to 10,000 people having disappeared since 1990 according to one report.

The current situation continues to be very serious indeed. There has been a curfew in many parts of Indian-administered Kashmir since June, which means that a large part of the population are unable to leave their homes, with work curtailed, employment not always possible and shops not functioning. Even when people

[Chris Leslie]

go out to protest, they often find that the police swiftly stamp out any dissent. That can lead to a repetitious cycle, which tends to involve people mourning the deaths of local residents and, in turn, the police suppressing that turnout, which can lead to a flare-up of conflict, with young men in particular pelting the police with stones. Such conflicts can flare up in many parts of the world, resulting in civilian deaths, which are extremely regrettable. I am told that there have been 34 such deaths so far this year.

I take this opportunity to urge the Government not to be frightened to raise the unresolved question of Kashmir with the Indian Premier and the Indian Government, particularly as the Prime Minister and other Ministers are visiting India this week—I think—on a trade delegation, and the issue is exceptionally important. Obviously many people in Kashmir would eventually like the opportunity for some level of self-determination or a better say in their destiny and governance. However, the key thing now is to find a way of demilitarising and calming the situation in Kashmir. Obviously I understand the approach taken on the borders, but what is important is the sense that internal repression is taking place within Kashmir, and we need to move on from that. I also hope that we can eventually include Kashmiri people and civil society leaders much more in dialogue and the peace process.

There are a couple of other points, affecting our constituents back in this country, that I take this opportunity to raise. The disability living allowance has for many years supported many disabled people, helping them with specialised equipment and the extra costs that they face, including transportation costs. The Conservative party promised to protect the disability living allowance in its manifesto. Unfortunately, however, it appears that there will be significant cuts in the DLA in the near future.

The introduction of a so-called objective medical assessment from 2013 appears to have allowed the Treasury to put a figure on the saving that it will be able to make on the DLA. The projected saving in 2013 is £360 million, and more than £1 billion in 2014-15. If it is to be a genuinely objective medical assessment, I am at a loss to see how the Treasury can quantify the savings involved, or indeed predict that there will be savings rather than extra expenditure. This is exceptionally worrying. Many people are expressing their concerns about this, and I hope that we will have an opportunity to discuss the matter further on another occasion.

I am also concerned by the Government's recent decision to scrap the East Midlands Development Agency and the Government office for the east midlands. Both those bodies have tried hard to bring investment and regeneration to my part of the world. In particular, EMDA has had some of the lowest administration costs of any RDA, and objective studies have shown that £9 of wider benefit has come from every £1 that it has invested in the real economy and in regeneration. There has been a great deal of investment in the creative industries, for example, including the New Art Exchange in my constituency and Nottingham Contemporary, and it would be a great shame if that regeneration budget were to be cut. Those organisations have added great value to the economy, and I hope that we shall see that investment continue in the longer term.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. A number of hon. Members wish to speak, and I want to call as many as I possibly can. I am therefore reducing the time limit on speeches to six minutes. I know that this will prove difficult for many Members, but I am sure that everyone will want to try to get a speech in.

5.32 pm

Dr Sarah Wollaston (Totnes) (Con): Many Members this afternoon have laid claim to the industrial revolution. Totnes cannot lay claim to that, but it undoubtedly has the finest beaches and countryside in the land, and I hope that many Members will visit us over the summer.

If any of our visitors get into deep water or find themselves drifting off to France, they will doubtless believe that they can rely on the coastguard to protect them. I want to draw to the House's attention a serious incident in that regard. On 28 June, four teenagers went swimming shortly before 8 am, and they got into difficulties in a rip current. A call was made from Bigbury coastguard to Brixham coastguard requesting the attendance of the Hope Cove lifeboat. The reason for that request was that the Hope Cove rescue boat was just 3.1 miles away and could have covered the distance in 14 minutes, including muster time. The coastguard chose not to send it out, however, because the Hope Cove rescue boat has had unilaterally imposed upon it an arbitrary and very small distance in which to operate.

That decision was not taken on the grounds of cost. In fact, it costs far more to send the lifeboat from Salcombe, which is 11 miles away and takes 27 minutes to get there. Nor was the decision based on a sensible worry about the cost of operating the Hope Cove rescue boat, because a generous benefactor sent a cheque for the entire running costs to the coastguard, which was returned. The decision had no basis in common sense. Had it not been for a person passing in a kayak who pulled one of the teenagers unconscious from the water, that teenager would, sadly, have died rather than just spending a day in intensive care.

The local community has requested, through a solicitor, to see a transcript of the recording of the call from the Bigbury coastguard to the Brixham coastguard. After all, we are not talking about a passing member of the public making this recommendation; it was made by the Bigbury coastguard itself. That request has been refused, even though the information was requested under the Freedom of Information Act 2000. I would like to know what is the point of that Act if it is not to call public bodies to account, to cut through and say, "Where is the decision-making process and what was it based on?". I am calling—and I hope the House will support me in doing so—for Her Majesty's coastguard to release that information.

I know that many other Members wish to speak so I will be brief, but the other point here is that the Under-Secretary of State for Transport, my hon. Friend the Member for Hemel Hempstead (Mike Penning), has kindly offered to visit and see the situation for himself. He has given an assurance that he will not close down the rescue boat without doing that. There is no substitute for seeing conditions in person on the ground. I hope that the Minister will give us a date for his visit. We are

expecting at last the barbecue summer that was promised us last year. We are expecting many visitors to the South Hams and we would like them to be safe. In the interest of public safety, we call for the rescue boat at Hope Cove, which is so valued by the entire community, to be safeguarded and not to have the Maritime and Coastguard Agency wash its hands of its responsibility by seeking to devolve all responsibility for safety at sea to the Royal National Lifeboat Institution.

Mr Deputy Speaker: I would like to thank the hon. Member for Totnes (Dr Wollaston), as what she said will help greatly.

5.37 pm

Chris Bryant (Rhondda) (Lab): It is a great shame that the hon. Member for Southend West (Mr Amess) is not in his place, as I would like to correct something he said earlier. He referred to a much-quoted sentence when he said that this Parliament was the "mother of all Parliaments". In fact, this was originally said by the Liberal John Bright, but when he said it, he was not referring to this Parliament as being the mother of all Parliaments, but saying that England was the mother of Parliament. He, like many Liberals, was wrong as well, because the longest-standing Parliament was not this country's, but the Icelandic Althingi, which first sat in 929. We should at times be a bit more careful about our history.

That brings me to the first issue I want to raise, which relates to the pernicious and now-published Parliamentary Voting System and Constituencies Bill. It is pernicious because, for a start, it shackles together two issues that have no proper right to be in the same Bill. If they have to be in the same Bill, they should be in the other published Bill that provides for fixed-term Parliaments; it would then be a general constitutional reform Bill. Indeed, elements of the Parliamentary Voting System and Constituencies Bill presume that the other Bill is going to be carried, so there is an argument for putting all three issues together, but not just two.

The Bill is also pernicious because it will increase the power of patronage in this House. Cutting the number of seats from 650 to 600 without cutting the number of Ministers will increase the role that patronage plays in this House. I note in passing that the Liberals have decided to add yet more patronage by creating these rather strange Liberal Whips. The tentacles of patronage needed to keep this coalition together are, as I say, pernicious.

The most pernicious element of all relates to the process that the Bill presumes will happen. Accordingly, the Boundary Commissions will draw up reports for Scotland, Wales, Northern Ireland and England. They will send them to the Secretary of State who will then—I am not joking, but the legislation might be—

"lay...before Parliament...the draft of an Order in Council for giving effect with or without modifications"

to the recommendations. In other words, the Secretary of State can draw up precisely what the constituency boundaries look like and this House will not be able to amend it because it will be an Order in Council. All we could do is vote for or against it. That is indeed pernicious.

The Deputy Prime Minister has referred on television and radio to the coalition introducing the best reforms since the Great Reform Act of 1832. This is not a great reform Bill: it is a great patronage Bill; it is a great gerrymandering Bill; it is a great partisan shenanigans Bill—and it is also, incidentally, the great rotten boroughs for Liberals in Scotland Bill. In case anyone is not certain, I am wholly opposed to it.

The second issue I want to discuss is S4C, although I understand that this may not be a matter of scintillating interest to everyone in the House. We heard over the weekend that the Government are going to cut the funding for S4C by 6% every year for the next four years. This has not, of course, been announced to the House, but I understand that S4C has been told about it. The funding of S4C is laid down in statute. In order to change its funding—I think it would be a big mistake to take £24 million out of the Welsh broadcasting economy—the Government would introduce primary legislation, unless they are doing some kind of dodgy deal in the background which they are not prepared to tell us about in the House.

I urge the Deputy Leader of the House to reply to each of the issues that I am raising, or to ensure that Ministers do so. I believe that, as we move into a fully digital era, the existence of S4C is all the more important for my constituents. It enables them to see Welsh coverage on television, not only in the Welsh language but, increasingly, in the English language.

I also urge the Deputy Leader of the House to consider the issue of the funding of the BBC. Many people in this country believe that the BBC is one of the greatest institutions that Britain has ever given to our society and to the world. We all have our complaints about individual journalists—about their being biased, or not biased—but the honest truth is that around the world, the BBC and the World Service are well respected and admired. Let me say to the Government that anyone in any other country would be astounded at the thought that we would cut the funding of the BBC by any significant amount.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): My hon. Friend is making an extremely good speech. I particularly approve of his comments about the BBC. Does he agree that the BBC could provide a service for my constituents in Harrow by investigating the circumstances in which ColArt, which runs a factory in my constituency employing some 200 people, wants to shift manufacturing operations from Wealdstone to France, thus putting at risk the jobs of many of my constituents? Is that not a subject that the BBC could usefully investigate?

Chris Bryant: I congratulate my hon. Friend on the phenomenal sagacity and dexterity that he has just shown. Obviously there should be at least an investigative programme by the likes of "Panorama"—if it has any time to spare between investigations of the shenanigans in the Liberal party.

The serious point I am making is that cutting the BBC licence fee has absolutely nothing to do with cutting the deficit, and that, through its investment in all the creative industries, the BBC plays a vital role in many other parts of our British national identity.

That brings me to my next point. One of our actions as a Government of which I am particularly proud was our introduction of the artist's resale right in the United Kingdom, which has benefited 1,827 artists—although it may be a bit more since this morning. Ten million

[Chris Bryant]

pounds have gone to those artists. It is mostly the smaller names rather than the very famous people who are receiving the money, but an investment is also being made in the important artistic community in this country. The British art market put out a rumour that our action would destroy it, but in fact the market has risen by roughly 23% year on year since 2003. I urge the Government to ensure that the right applies not only to living artists but to the estates and families of artists who have died, because they are often the people who maintain the heritage of those artists.

Finally, I want to raise another issue relating to south Wales. The defence training academy at St Athan will dramatically improve the quality of training that we give our armed forces. It will provide between 5,000 and 6,000 jobs in south Wales, and should therefore be seen not as an optional add-on, but as essential to our defence of the realm.

5.43 pm

Neil Parish (Tiverton and Honiton) (Con): It is a great honour to make a few points in the summer Adjournment debate. I begin by suggesting to the hon. Member for Rhondda (Chris Bryant) that perhaps there should be a small redistribution of wealth from the BBC to ITV. We should remember that it also does a good job.

Let me move quickly on to the subject of South West Water charges. In my constituency—in my view, it is as beautiful as that of my hon. Friend the Member for Totnes (Dr Wollaston)—the charges are significantly higher, because we have 30% of the beaches and only 3% of the population to pay the extra charges. I should like the Government to consider some form of national levy requiring people from all over the country to pay for the beaches that they come to enjoy. We welcome them when they come to enjoy those beaches, but we do not think that the retired people of the South West Water area should pay the extra charges. It would mean bills in the South West Water area falling by about £65 to £75, yet the national levy would be in the region of £1.50. I ask the Government to look at this sympathetically.

On Tiverton high school, let me first say that I understand that the coalition Government have of course had to cut back on the Building Schools for the Future programme because there was no money left. We know that that is the case, and I shall not repeat it too often. We need to be sure that we can build schools in the future, and that the money we put into capital spending actually goes into building schools and not on administration, as 20% to 30% did under BSF. I ask Ministers that when money becomes available, Tiverton high school is not forgotten, because that would be good not only for the high school, but for a part of Tiverton that needs regeneration.

I want now to talk about the A303/A30.

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): Hear, hear.

Neil Parish: I thought the Deputy Leader of the House might say that as the A303 also runs through his constituency. In Cornwall, we have trunked the whole A303—or A30 as it is down there. That is excellent of course, but by the time many people get to Cornwall they will have passed through Wiltshire, Somerset and Devon. We have to make sure that we trunk the road through Somerset into Devon, and around Honiton in particular, where there is a bad bottleneck. When people get to Honiton, they can link into the dual carriageway that takes them on to Exeter and beyond. It would be great if we could get this done. In 1997, the road was all ready to be built, but then—lo and behold—we got a Labour Government who immediately stopped it. As the plans are all ready, we could go ahead and build this straight away if we had the money.

My constituency has the two hospitals of Tiverton and Honiton, and we have maternity units in both of them. Prior to the election, services were cut in Honiton and they have been stopped in Tiverton. I want to ensure that those maternity services are reintroduced, because it is absolutely right that we not only have midwives to help with home births, but that mothers can choose to give birth in hospital as well. I therefore make that great plea.

I want there to be more competition with BT in the rolling out of broadband into rural areas. At present BT is dictating the speed at which it is being rolled out, and it is currently not being rolled out at all across many rural areas. I welcome the coalition Government's commitment to helping communities roll out broadband.

The need to take decisive action on tuberculosis in cattle is an issue dear to the hearts of many of us in rural areas. We spend more than £100 million a year on taking out diseased cattle, yet we are not tackling the disease in wildlife. I welcome the commitment of the Minister of State, Department for Environment, Food and Rural Affairs to ensure that we look at ways in which we can cull infected badgers so that cattle are not re-infected.

My final point is about Zimbabwe, which is, I accept, a long way from my constituency, but many of my constituents come from that country and I was an election observer there in 2000. Zimbabwe is still staggering on, and I hope our coalition Government prove to be more effective than the current coalition Government in that country. I plead with the Government to look in future at helping Zimbabwe to have a proper audit of the farms and farmland there. Zimbabwe could feed both itself and quite a lot of Africa, but at present it cannot even feed itself because that land is not being farmed and not being looked after. The ownership of these farms is now often not for the sake of farming the land, but just for the sake of having property, and that should be investigated.

5.49 pm

Glenda Jackson (Hampstead and Kilburn) (Lab): I pay tribute to the three Members who made their maiden speeches this afternoon. Interestingly, all three referred to Margaret Thatcher and the influence she had had on them—in different ways. I am sure that they must be experiencing a sense of déjà vu, as I am and certainly my constituents are. Despite the Government's pronouncements that they are introducing a new politics, it is clear that they are actually introducing policies that are Thatcherism mark 2: for example, the first steps to privatise the NHS, the attacks on state schools, and the terrible damage they are going to inflict on our welfare system.

However, one marked difference is that Thatcherism mark 1 presented its policies on the basis of ideological conviction. This Government are presenting their Thatcherite policies on the basis of blaming everybody else, not least the previous Labour Government. They continue to run with the canard that they are having to make these swingeing cuts across the whole of our national fabric because we got the finances wrong. To those who take the trouble to read the Gothic novel that the Chancellor of the Exchequer published under the title of an emergency Budget, it becomes increasingly clear that his feverish imagination fanned the flames of the Frankenstein finances that form the basis for these choices.

My central point is that in that fantasy Budget—that Gothic novel—the Government stated categorically that, although it would be a Budget of austerity, they would protect the most vulnerable in our country and the low-paid. That is clearly not the case, and the example I give is their housing benefit proposal, which is a particular concern in my constituency. I know that the Conservatives never listen to the Opposition, but perhaps they will listen to what the Mayor of London has to say on this issue. He is targeting the new cap that will be introduced, which at the moment will affect the majority of housing benefit claimants in the private sector. However, the secretive changes that the Government are introducing to benefit uprating—for example, basing it on the consumer prices index, rather than the retail prices index—will affect all housing benefit claimants.

The Mayor of London said:

"The new cap is lower than the existing LHA"—

local housing allowance—

"in all 33 London boroughs for five bedroom homes, in 25 boroughs for four bedroom homes and in 18 boroughs for homes with three and two bedrooms. In 30 boroughs, the combined impact of the new threshold and the new cap will leave families in three bed homes, whose rents are currently at the median of local rents, with a weekly shortfall ranging from £23 to £360."

That, as I have said, does not even begin to touch on the impact of the changes being made to the wider benefits system, such as increasing non-dependant deductions.

The hon. Member for Portsmouth South (Mr Hancock) discussed the situation of people on jobseeker's allowance after 12 months. I have received a letter from a single-mother constituent of mine. If, after 12 months, she has not managed to obtain employment, her housing benefit will be reduced, even though she is allowed to look for work that fits in with her family commitments such as taking her child to and from school. She lives in a borough in the centre of London in which rents are above not only the national average but the London average. Despite the Government's protestations to the contrary, this measure will impact on the most vulnerable. It will affect not only people on jobseeker's allowance, but pensioners and some people with disabilities.

The Government must rethink this policy. In common with so many of the policies they are introducing, they have markedly failed to think it through. We must consider the serious harm that the ill-considered consequences of such changes could cause. This policy will not save the country any money—if that is indeed the Government's motive for introducing it. In fact, it will cost us a great deal more. I do not want anyone to have to go back to the days under the previous Thatcherite regime when families with small children were trapped in bed-and-breakfast accommodation. I can foresee a time when, if the housing benefit policy is not changed, those days will return. We will see more and more people sleeping on our streets and local authorities will have to push people out into the outer London boroughs, which will mean that the low-income workers on whom this city depends for its smooth running will have to leave. Is that really how we are going to create a thriving economy not only in the capital city but in the country at large? It seems to be the antithesis of that.

It is not too late for the Government to realise that there are alternatives. They simply have to think, for a moment, outside their stifling envelope and realise that their first duty is to the people who sent them here. That will be a bit of a stretch—they are not exactly a representative Government—but they have to think again.

5.58 pm

Jane Ellison (Battersea) (Con): I congratulate my hon. Friend the Member for Witham (Priti Patel) and the hon. Members for Hyndburn (Graham Jones) and for Livingston (Graeme Morrice) on their excellent maiden speeches. May I pick up the point made by the hon. Member for Islington North (Jeremy Corbyn), who is no longer in his place, about the facility for a substantive response from a Minister to points raised in the Adjournment debate? In my capacity as a member of the Backbench Business Committee—I see present also a colleague on the Opposition side of the Chamber—and as this debate is taking place in Back Bench Business Committee time, I will report that point back to the Committee in time for our evidence seminar in September.

I hope that the House will not adjourn until it has considered the matter of business rates and particularly their impact on small businesses, shops and restaurants in Battersea and other parts of Wandsworth. I am delighted that the coalition Government have signalled their support for small business through a number of proposals, not least the scrapping of the planned rise in employers' national insurance and the commitment to seek a way to make small business rate relief automatic. Although it is very welcome, the latter move will have relatively little impact in a London constituency such as mine in which business rates are so high, reflecting their proximity to central London but without the footfall of central London.

I should like to ask the Government to go further over this Parliament, as the localism agenda gathers pace, and consider giving local councils a greater role in setting local business rates. This issue was thrown into sharp relief by the dreadful impact on my constituency of the business rate revaluations of 2009 and 2010, by which London was particularly badly hit. Many businesses and shopping areas such as Northcote road, Old York road, St John's hill, Battersea Park road and Lavender hill have struggled to survive those rises, which were often of more than 100%. The number of empty shops and restaurant fronts bears testimony to the fact that some businesses lost that struggle.

Wandsworth council has been innovative in the face of the difficulties caused by the ending of transitional relief last year and it remains the only council in London that runs a hardship scheme for small businesses. To date, that scheme has helped more than 50 local firms to save money on their bills and stay afloat, the result of which is that they are still paying tax and employing

[Jane Ellison]

people. Innovative councils could do even more if they had the power to set some or all of the business rate instead of just collecting it. A borough such as Wandsworth with a low tax culture could bring real benefits to its businesses and we could avoid painful juxtapositions, such that in spring 2009, when a local launderette's business rates increased by 250% while residents in the same road received a zero increase on residential council tax.

I am aware of the chequered history of local councils setting business rates, so that power might have to be earned, but local councils of whatever political complexion that have a clear grasp of the importance of small business to the local economy could play a significant role, through the setting of a lower local business rate, in sustaining existing businesses and encouraging new ones. I hope that the Deputy Leader of the House will agree that it is important to rebuild the connection between local authorities, local businesses, the services that those businesses receive from local authorities and the local residents who value those businesses. It is worth considering whether to restore some measure of accountability in the levying of business rates. That idea sits very comfortably with the Government's commitment to localism and I commend it to the House.

5.59 pm

Thomas Docherty (Dunfermline and West Fife) (Lab): I hope that we can consider a couple of extra matters before the House adjourns for the summer recess. When the parties in government talk about public spending cuts, they would like us to believe that they are simply talking about what they claim are the legions of overpaid and underworked public sector bureaucrats who push paper around and introduce more and more regulation. However, the truth is rather different up in west Fife, where the public spending cuts will have a devastating impact on the defence and electricity generation industries.

Yesterday, the Ministry of Defence announced that the Harrier jump jet will not fly from the new super-carriers when they come into service. Hon. Members will recognise that, given that the joint strike fighter will not be available for some time after Queen Elizabeth is scheduled to enter into service, one can draw one of only two conclusions: either the MOD proposes that the Queen Elizabeth should become a glorified helicopter carrier for the first few years of its life; or, even more worryingly, the Department plans to delay the Queen Elizabeth's entry into service following the comprehensive spending review. I will be grateful if the Deputy Leader of the House asks the Secretary of State for Defence to write as a matter of urgency to Members on both sides of the House with an interest in defence to clarify the MOD's position on the Harrier and joint strike fighter and, crucially, the date of entry for the Queen Elizabeth and the Prince of Wales.

Monday's edition of *The Times* carried a rather disturbing story suggesting that, as part of the public sector cuts that we hear so much about, the MOD plans to take out of service immediately either the RAF Tornados or the Royal Navy Harriers. Leaving aside the obvious reasons why we need both the Tornados and the Harriers in service for the defence of the nation, as well as the amazing jobs that the aircraft crews have been doing in Afghanistan and elsewhere in recent years, that obviously gives rise to serious concerns for RAF bases throughout the country, including RAF Leuchars in Fife, as well as RAF Kinloss and RAF Lossiemouth elsewhere in Scotland. It is not unreasonable to assume that if seven squadrons of Tornados are taken out of service, we simply will not need such a number of RAF bases. I will therefore be grateful if the Deputy Leader of the House will press the Defence Secretary to clarify what the Government plan to do about our Tornado and Harrier squadrons.

Longannet power station plays an important part in my constituency. It has served homes and businesses in east and central Scotland with electricity for some 40 years, so it is approaching the end of its natural life. As the House will recall, it is on the shortlist of two for the carbon capture and storage competition, the result of which was expected in October. Many Members would have been worried by today's statement from the Secretary of State for Energy and Climate Change, because he seemed to suggest that the competition would be pushed back to the end of the year.

Hon. Members will recall that when the House debated energy efficiency last month, the Minister of State, Department of Energy and Climate Change, the hon. Member for Wealden (Charles Hendry), did not have time to answer all the points raised. He promised to write to clarify those points, but it appears that he has lost his writing pad over the past five weeks, because Members have not received answers to their questions. Again, I will grateful if the Deputy Leader of the House will ask the Minister of State to write to me about three specific points, which I shall recap for the record.

First, will the Government still meet the October deadline for the CCS competition? Secondly, is the prize for the competition still that set out by my right hon. Friend the Member for Doncaster North (Edward Miliband) when he was Secretary of State, or has it fallen victim to the Chancellor's spending cuts? Thirdly, will the Minister of State meet me and other Scottish Members so that we can discuss possible changes to the transmission charges operated by the national grid and how we can make them more equitable to Scottish power stations?

6.4 pm

Andrew Bridgen (North West Leicestershire) (Con): I add my compliments for the three fine maiden speeches that we have heard today from my hon. Friend the Member for Witham (Priti Patel) and the hon. Members for Hyndburn (Graham Jones) and for Livingston (Graeme Morrice). I am sure that they will make excellent representatives for their constituencies.

Before we break for the recess, it is important for the House to have an opportunity to discuss how localism and the big society are affecting my constituency. Localism is being welcomed and embraced by my constituents. In North West Leicestershire, as in many other constituencies, the biggest local issue in the run-up to the general election was the Labour Government's top-down housing targets. It was decided that my constituency should have an extra 12,200 houses. The district council was set an impossible task of consulting the local population. The main problem was that there was very little to consult about. The figure was set, and it was decided already that the clear focus for the main thrust of development was to be concentrated on the town of Coalville. I put it

to you, Mr. Speaker, that there is nowhere in North West Leicestershire where building more than 12,000 houses would be acceptable to the local residents. That level of housing growth, if implemented, would have changed the character of my constituency for ever.

I am very pleased, and my constituents are mostly delighted, that these top-down targets have been dropped. This means that all powers to decide housing numbers, types, densities and where they will be built, now rest where they belong, with locally elected, locally accountable district councils. Many community groups were set up to oppose the top-down targets, and their work is worthy of mention. The Whitwick action group, the Don't Destroy Donington campaign, the residents against inappropriate development in Ashby and the friends of Thringstone are particularly worthy of mention. It is also worth mentioning that it is easier to lead someone forward than to push them, and this is very much the difference between this Government's policy and that of the previous one.

For too long, local government and local opinion have been ridden roughshod over by central Government. The Government are often the final arbiters of planning appeals, which have huge effects on local communities, often acting as judge, jury and executioner. Ministers have in the past, with the mere flourish of a penned signature, condemned communities that they do not know, and people they have never met, to years of anguish. For example, the overturning of decisions taken locally with regard to the opencast mine at Ravenstone in North West Leicestershire has, quite literally, undermined the influence of, and respect that residents have for, the locally elected council and councillors. This dumbs down the role of the council, and I believe that it discourages many able people from standing for election. This Chamber, Members will be glad to hear, will be hearing more from me about opencast mining in the very near future. This Government will, I hope, give local councils the chance to show real leadership—something so sadly lacking in the past, when they were mostly there to enact top-down national policies.

I have also seen during the past few weeks how localism feeds into the big society in my constituency, which we so much want to encourage to flourish. I have met some of the selfless people who work in the voluntary sector and seen the work that they are doing to improve and turn around the lives of some of the most vulnerable people in my community in North West Leicestershire. I have been to the Marlene Reid centre, a social enterprise based in Coalville, and to the Turning Point office, also in Coalville, where staff and volunteers are helping those affected by drug and alcohol misuse, and I have been to Home Start, which provides dozens of volunteers to support parents and families struggling to cope who are in need of a little support to get them through their lives. This is the big society in action, and I will be doing all I can to see that these groups have all the support they need from the Government to carry on with their essential work. It is vital that those groups are not subject to undue interference from government.

I want to share with hon. Members an interesting experience. I visited the local air ambulance, which flies out of East Midlands airport in my constituency. The service is funded totally by charitable donations. When I asked whether it would not rather be funded by the Government, surprisingly it said that it definitely would not, as then it would be subject to all the bureaucracy, red tape and targets that would go with that. It would rather keep its independence and raise its own funds. That says a lot about the dedication and commitment of the volunteers and fundraisers who work for the Derbyshire, Leicestershire and Rutland air ambulance, but it also says a lot that is not good about government.

I reiterate that North West Leicestershire has some fantastic selfless people working in the community. The challenge for government is to create the conditions to ensure that their efforts reap the maximum benefits for society. We can do this by devolving powers to the people who recognise what local communities need. Those people do not need the state to interfere with their lives. The time of big government is over: it did not work, and it was far too expensive. Anything that government take responsibility for, individuals and voluntary groups tend to withdraw from. The Government need to relinquish ground back to volunteer groups and individuals. This is the time of localism and the big society, and we will be able to build economically, socially and spiritually stronger communities because of it.

6.10 pm

Diana R. Johnson (Kingston upon Hull North) (Lab): I shall discuss three issues that are causing concern and anxiety in my constituency, but first I pay tribute to the hon. Member for Morecambe and Lunesdale (David Morris), who talked about the beauty of, and gave us a tour around, his constituency. I was lucky enough to be in Morecambe last weekend, and I certainly agree that Morecambe bay is a very beautiful setting. I also visited the Midland hotel, which has gone through a major refurbishment to restore it to its 1930s art deco beauty, partly funded, as I understand it, through the regional development agency in the north-west. I just wanted to put on the record the fact that government can do good things.

The first issue in my constituency that I want to raise is about education. Although Hull was fortunate enough to be in one of the early waves of Building Schools for the Future, so is not part of the coalition Government's slash-and-burn approach to BSF investment, there remains a concern about the primary capital programme in the city. Indeed, I am still awaiting a response to a question that I put to the Secretary of State. It was due for answer on 14 July, so I wonder whether the Deputy Leader of the House could chase that up for me.

Alison Seabeck (Plymouth, Moor View) (Lab): I share my hon. Friend's concern about a failure to receive a response from the Department for Education. I asked a question, which was due for answer on 12 July, about the lists, and I still have not received a reply. I assume that she shares my concern.

Diana R. Johnson: Absolutely. I do share that concern, and I hope that the Deputy Leader of the House will be able to help us.

I want to talk about McMillan nursery in my constituency, which Ofsted recently rated as outstanding. The head teacher, Andrew Shimmin, and his staff do a fantastic job in a part of Hull that faces many challenges. However, the recent weeks and months have been a difficult time for McMillan. We had the very sad death

[Diana R. Johnson]

of Kerry Mackinder, who had worked at the school for some time, and the staff's future is now threatened by Hull's Liberal Democrat council, which seems intent on making deep cuts without proper consultation and without considering other options for the school.

The coalition Government have talked at length about early intervention, and I know that many Members believe that it is important to put money into children's lives early, so that we do not have to spend it later when things go wrong. Unfortunately, Hull city council does not seem to take that approach, and there are particular concerns about the new funding formula that Madam Deputy Speaker introduced when she was the Minister with responsibility for children in the previous Government. She made it clear that the new funding formula for early years could take into account the important role that nursery schools play, as they have professionally trained teachers, often work in deprived areas, and often need to keep places vacant in case social services need to place a child urgently in a nursery school.

I was very disappointed to hear not only that staff at McMillan nursery are to be made redundant, but that the nurture group—a positive way of dealing with children's problems early—is also to be abandoned. Local parents are organising a petition to try to keep the group open, and I pay tribute to the trade unionists who, on behalf of members who work at McMillan, are fighting hard, trying to get other plans for the nursery put forward and challenging the tight timetable for consultation with staff about their jobs.

The second constituency issue that I want to raise is housing. The previous Government agreed to a regeneration scheme in Orchard Park based on private finance initiative credits, and the local authority is consulting the community on that. However, owing to the coalition Government's stance on decisions made before the election, I am worried that the scheme might not come to fruition, and it is badly needed. I understand that Hull city council has already spent up to £1 million on the consultation and on the preparatory work for the scheme.

In another part of my constituency, Bransholme North, the first housing stock transfer will take place. There was a ballot earlier this year, and the Housing Minister will have to agree to the transfer later in the year, but the uncertainty about the coalition Government's approach to social housing is causing concern in Kingston upon Hull North, so, as tenants want the stock transfer to happen, I again seek a reassurance that it will.

My final point about housing is that at the beginning of July I received a petition from residents of Auckland avenue in Hull. Led by Mrs Walker and Mrs Lambert, it was about the deterioration in the neighbourhood resulting from the conversion of small family homes into houses in multiple occupancy. I had a look for myself, and there was indeed a deterioration in the area. I have written to Hull city council to ask it how it is planning to use its powers to deal with the problem in that area. Now I understand that the coalition Government have suspended the Labour Government's legislation on houses in multiple occupancy, which was intended to help communities and residents such as those now suffering in Auckland avenue.

Finally, I turn to transport. Under the Labour Government, approval had been given to upgrade schemes on local roads such as the A63. We were also moving closer to reducing or abolishing tolls on the Humber bridge. Now we are told by the Secretary of State for Transport that we must choose between the road schemes and progress on the Humber bridge tolls. Studies have clearly shown that cutting the tolls would boost the local economy on both sides of the River Humber. Surely the £98 million cost of building the Humber bridge has now been paid back by Humber people. Those are the issues—education, housing and transport—that really matter to my constituents in Hull, far more than the rushed referendum on the voting system.

In a passionate contribution to the debate, my hon. Friend the Member for Rhondda (Chris Bryant) talked about the gerrymandering over the Parliamentary Voting System and Constituencies Bill. On the first day back, we are to be forced to have a Second Reading debate on that Bill without any pre-legislative scrutiny. That is an absolute disgrace.

6.17 pm

Bob Blackman (Harrow East) (Con): I should like to place on the record my congratulations to Members who made their maiden speeches earlier this afternoon. Before we break for the recess, I should like to raise a number of local, national and possibly international issues.

I shall start with local issues. I am sure that the whole House would like to congratulate Elmgrove, Aylward, Glebe, St John's and Stag Lane schools in my constituency, which have all received Artsmark awards from the Arts Council in the past week. That leads me to a concern being raised at local level, about the wonderful new Cedars youth centre, which is being developed in a partnership between Harrow council, the lottery and Watford football club. Some £4.2 million was set aside for it, but we are awaiting approval from the Department for Education. I trust that that will be forthcoming before the recess is out.

Seventy years have passed since Britain stood alone and the RAF, and Fighter Command in particular, stood between us and the Nazis. The centre of that operation was at Bentley priory in my constituency. Time, of course, has moved on; now there is a challenge as to what we will do with Bentley priory. There is a clear need to preserve the priory for the nation so that we can celebrate what Fighter Command achieved 70 years ago. We must not allow it to fall into disrepair and disuse and pass it on in that state to our children and our children's children.

Some hon. Members who know me well might wonder why I am raising this next issue in the House. A firm in my constituency called ColArt, which is probably better known as Winsor and Newton, is currently consulting on closing down its operation in Wealdstone and transferring the manufacturing jobs to France and other parts of the world, involving the loss of 200 specialist jobs in the constituency. The local council and the Government need to intervene to safeguard those jobs for local people and to protect manufacturing industry in London. I trust that that support and effort will be forthcoming from the Government before the consultation period is over at the end of September. This afternoon I met representatives of the factory, who are deeply concerned about what is going to happen to their jobs and to the future of manufacturing in our area. I am happy to place on record my firm and full support for

their work, and I will, with the firm, be seeking appropriate measures to ensure that we safeguard that facility for local people.

Finally, I want to discuss a case—Regina *v.* Robert Nicholls and others—which arose on 28 and 29 June in Lewes Crown court, and which probably would have passed unnoticed but for the learned judge's summing up in directing the jury. The case concerns a number of individuals who committed terrible criminal damage at a local armaments factory in January 2009. As they virtually admitted that they had done so, it was something of a surprise when they were acquitted of the crimes after the jury had deliberated for a very short period. A week to 10 days ago, the summing up by the judge was released. It reads almost like the case for the defence or a plea in mitigation. In the course of some 87 pages, it lists a whole litany of reasons and excuses as to why it is perfectly reasonable for people in this country to commit criminal damage against armaments factories if those factories are supplying the state of Israel.

This has caused immense concern in my constituency, where there are large numbers of Jewish people who believe that it will provide a licence for individuals who oppose the state of Israel to take criminal action against factories in this country that supply the state of Israel. It is the thin end of a very thick wedge, and the Government—the Ministry of Justice—must step in and take action. We cannot have judges with prejudicial views instructing juries to acquit people where there is no evidence to support that outcome. I have asked the Lord Chancellor to intervene in this case and ensure that something is done, and I trust that that will happen before the recess.

6.23 pm

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): I wish to use this debate to highlight the devastating impact that the coalition Government's cuts in public expenditure will have on the city of Liverpool and, in particular, on my constituents in Wavertree. The Government's proposals for cuts of up to 40% in some Departments will jeopardise the economic recovery, unfairly punish those in the most deprived areas and, according to the Office for Budget Responsibility, put 600,000 public sector workers out of work.

Members in all parts of the House acknowledge the effect of the global recession on the country's public finances, but the new Tory Government have ignored this approach and instead opted to pursue an agenda described by the Institute for Fiscal Studies as amounting to the longest and deepest period of public spending cuts since the second world war. Despite what the Government would have the public believe, these cuts are not inevitable. They are the result of the ideological choices that the Conservative-Liberal Government are making. Economists such as Nobel prize-winning Professor Joseph Stiglitz have warned that the Tory Government's Budget and their other cuts will result at least in a slowing of the recovery and at worst in a double-dip recession.

Merseyside will bear the brunt of the Government's cuts far more than other areas of the country, not least because in some parts of the region 60% of the work force rely on the public sector for their income. While some of the more ideologically driven Members on the Government Benches may demonise the public sector as a drag on the private sector, those of us with a more clear-headed view know the important relationship that exists between the public and private sectors. For every £1 that a local government worker earns in Liverpool, they spend 70p there. If that money stops, we will see small businesses close, a spiralling welfare bill and public services straining under the weight of underfunding and increased demand.

Jack Stopforth, chief executive of Liverpool chamber of commerce, has said that the Government are being "unbelievably naive" over the effect of job losses and clearly have

"no awareness of the link between public sector services and private sector supply chains".

Despite that important relationship, the Government seem determined to further crush any project that would bring necessary jobs and investment to Merseyside. The withdrawal of funding for the Mersey gateway, which would bring 5,000 jobs, and the cancelling of Liverpool's 26 Building Schools for the Future projects, which has already cost 1,000 jobs, are evidence of that. Today, the Northwest Development Agency has announced more than £52 million of cuts to 101 projects, many of which fall in Liverpool.

There have been a number of short-sighted cuts, particularly the decision not to introduce a tax relief for the video games industry. In 2009, the industry brought approximately £1 billion to the UK's gross domestic product, and in my constituency and across Liverpool there are a number of video games developers including Genemation, Bizarre Creations, Magenta Software and Playbox. Sony Computer Entertainment, based at Wavertree technology park, employs more than 600 people, and introducing a games tax relief would protect and increase a figure of £415 million in new and saved tax receipts for the Treasury, far outweighing the £192 million that the relief would cost. Can the Deputy Leader of the House explain why the Red Book highlighted only the cost of the tax relief and not the net benefit?

Decisions such as that and the cancellation of the loan to Sheffield Forgemasters highlight the Government's short-term thinking and strike at the very premise behind their strategy to pursue a private sector-led recovery. They seem adamant that the gap created by their public sector cuts will be filled by increased demand and job creation in the private sector. However, businesses in areas such as Liverpool rely more heavily than others on income from public sector workers.

Not only will the Government raise unemployment with their cuts, but they seem to want to punish those who are unfortunate enough to find themselves out of work. All of us in the House recognise the value of helping people off benefits and into work. That is important for self-esteem, well-being and the economy, and jobseekers should be supported, not castigated. The Government's plans to freeze jobseeker's allowance—*[Interruption.]* Oh, I will sit down. Sorry.

6.27 pm

Barry Gardiner (Brent North) (Lab): Our function in this House is to ensure that our information about constituents' problems is translated into creating better policy so that our constituents have fewer problems. Today, I wish to raise two issues that have recently come to my attention.

[Barry Gardiner]

On educational provision for those with behavioural and learning difficulties, I have had a case in which a lady—I will call her K—brought into the borough her son with severe learning and behavioural difficulties, challenging behaviour and anger management problems. On 22 July, my constituent made distressed calls saying that the previous day, her son had been out of control. He had ransacked the flat and smashed all the furniture. The tutor who arrived to give him the five and a half hours of educational provision that he was due under statute had to leave and said that he would get help. The police came and the mother asked them for help, but they left again. She rang social services but no one arrived. She took her son to the police station, crying out for help. A social worker arrived, saw the smashed-up flat and took the son away for an hour, then brought him back again saying that they could not cope with him.

Over the weekend, I have arranged for special provision to be made for respite for the mother, but the point is that five and a half hours a week of statutory provision for a child is not enough. This child cannot be accommodated in school, but a local authority has a responsibility. When a parent is keeping a child out of school, it gives fines and parenting orders, yet when it is responsible for the child it need put in place only five and a half hours' provision a week. That is wrong and absolutely inadequate, because it means that the parent can get no respite.

Section 3 of the Children, Schools and Families Act 2010, which was introduced by the previous Labour Government, ensures that full-time provision is made available. On 14 July, an order introduced provisions of that Act, but not section 3. Will the Deputy Leader of the House say when that section will be introduced, so that children get the educational provision and care that they rightly deserve? My constituent was told that the only way she could get that provision was if the child were put under a child protection order, which would mean that she would be deemed the perpetrator of an assault, when in fact the child was disruptive, violent and aggressive. It is absolutely wrong that that should be the only route to respite for a parent.

6.31 pm

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I shall focus on something that has not yet been covered in this absolutely fascinating debate: the Government's attitude to technology in the community, which is a cross-party issue. We all agree on the enabling role that we want technology to play in our communities. I want my constituents in Blakelaw and Elswick to be able to wake up in the morning and look at the latest job vacancies online; for employees in West Gosforth and Westgate to be able to claim their tax credits online; for students in Kenton and Fenham to have access to the world's most inspirational teachers from their bedrooms; and for pensioners in Wingrove, and Benwell and Scotswood, to benefit from medical and social care in the comfort of their homes.

The Minister for Universities and Science recently made quite a good speech on the importance of science and technology, but the coalition will be judged by actions, not by fine words. In Newcastle, only 60% of my constituents have broadband at home. Social and economic issues rather than availability play a part in that. More than 10 million adults in our country have never used the internet. What has the coalition done? It scrapped the previous Government's commitment to free internet access from all libraries; cut £50 million a year from an IT fund designed to bring technology into classrooms in order to fund free schools; scrapped procurement and other support for information and communications technology in schools; and rushed through the Academies Act 2010, abandoning the requirement for schools to teach science and maths at all, never mind separate sciences.

The coalition has also abolished regional development agencies, which helped to support science and technology locally; deferred concrete, funded plans to make broadband available everywhere in favour of three small rural pilots; and placed leadership on broadband in the Department for Culture, Media and Sport. I have a great deal of respect for that Department, and it would be wrong not to recognise the critical role that digital culture plays in the digital economy. However, broadband is not only about delivering content; it is the basis for our future economic resurgence. Frankly, for the Department for Business, Innovation and Skills to give up leadership on that critical matter is totally dotty.

Building the right broadband infrastructure is complex, and it needs people with expertise to manage it. What broadband expertise does the Department for Culture, Media and Sport have? Will the Deputy Leader of the House explain what the Government are doing to overcome digital exclusion, and what expertise are they drawing on to do so?

Whether a person is digitally literate or not is a matter of choice at the moment—many people leave the operation of their set-top boxes to their children and know more of the dark side of the moon than the inside of their digital phones—but in future, there will be no option, because digital literacy will be as important as the ability to add up. The coalition is failing to equip our children for that future, and in so doing, damaging our economy.

6.34 pm

Alison Seabeck (Plymouth, Moor View) (Lab): It is a shame that, on only the second day on which the Backbench Business Committee has chosen the business, Back Benchers such as my hon. Friend the Member for Liverpool, Wavertree (Luciana Berger) are being cut off in their prime and others have not been able to raise all the issues that they wished to raise.

More than 9 million people in the UK are deaf or hard of hearing. That is about one in every seven people, or approximately 14,000 per constituency. I wish to explore issues of accessibility for people who are deaf or hard of hearing to telephone services as well as shops and businesses. Deafness is the invisible disability and many elderly people tell me that hearing aids are automatically seen as a sign of decrepitude. That could explain why only some 2 million people use hearing aids when it is estimated that between 5 million and 6 million could benefit from them. Those who have difficulty hearing find that when speaking on the telephone or face to face people are impatient with them, and even sometimes seem to find it acceptable to be rude to them.

Many hon. Members will associate deafness and hearing loss with the use of British sign language—or BSL. It is important to our understanding of the issue

that we acknowledge the fact that only 50,000 people in the UK use BSL as a first or preferred language. In fact, the Royal National Institute for Deaf People, the UK's largest deaf and hearing loss charity, estimates that more than 8.2 million people have mild to moderate deafness. I declare an interest, as that figure includes me. I lost all hearing in one ear at the age of 16 after contracting mumps.

I wish to highlight action that businesses can take to better help their customers who are deaf or hard of hearing access them over the telephone. This is an especially important area as more businesses adopt automated answering software and call centre staff as the public's primary means for contacting them. I am sure that we can all recall frustrating experiences when trying to contact a business by that method. Let us imagine how much more frustrating it would be with a hearing loss. Often one is asked to press a number to ensure that the call can be directed appropriately, but if one does not properly hear these instructions immediately it can be very difficult to seek clarification and often calls go round in circles or are prematurely terminated. It is also deeply frustrating when a person asks the call centre operator to give a yes or no answer, but the operator reverts to the fixed script they have to use and gabbles or mumbles, despite being asked to speak slowly. Some people who have speech difficulties, perhaps after a stroke, also have problems using voice recognition telephone systems, which can be a nightmare.

If a business wishes to have that kind of system, it is essential that there is an early and clear option for people with a hearing loss to be put through to an operator who has received deaf awareness training. There are some very simple steps that businesses can take. These include ensuring that their operators speak clearly and at a slow speed and that they repeat themselves when asked to do so. Businesses must recognise that calls involving customers who are deaf or hard of hearing will be of a longer length. I hope that the Deputy Leader of the House will ask the Minister responsible to consider introducing a set number on all systems that people who are deaf or hard of hearing could press to be put through to somebody who understands their needs.

I also wish to raise the problems with text relay, which is a national relay service that allows text phone users to communicate with users of normal telephones through a relay assistant. It is a complex system and it does take time, but unfortunately call centre staff and others are reluctant to use it, simply because it does take time. However, some large and high-profile businesses are doing the right thing, including Western Power, Lloyds TSB, Barclays Bank and even Government agencies such as HMRC.

There are some simple steps that can be taken to ensure that people who are deaf or hard of hearing can communicate, and even I was surprised, as someone who is hard of hearing, at just how simple those steps are. People can ensure that they talk in a place with good lighting so that they can be lip-read; they talk in a place away from noisy distractions; they face the person, again so they can be lip-read; they speak clearly, but not too slowly, and do not exaggerate their lip movements; and they do not shout, because that is uncomfortable for a hearing aid user and it looks aggressive.

Better use of a loop induction system would help as well. In a mystery shopping expedition by the Royal National Institute for Deaf People, only 22% of shops had an operational loop. It would seem that regional managers of stores are fully aware of the importance, but do not switch them on.

I have many more issues to raise, and perhaps I need to return to the House to discuss them further.

Several hon. Members *rose—*

Mr Speaker: Order. I should point out that the Front-Bench speeches will begin at 6.42 pm.

6.40 pm

Steve McCabe (Birmingham, Selly Oak) (Lab): It is nice to know that Back-Bench Members are getting such a high profile under this new regime. I would have liked to discuss the imposition of police commissioners at a time of budget cuts. I would like to know why we are abolishing the highest performing regional development agency in the country at a time when Birmingham has the highest unemployment of the core cities, and why we are imposing a VAT rise that will cripple small service sector businesses in my constituency—people such as hairdressers and small restaurant owners.

On the day, however, when the Khyra Ishaq case review has been published, I want to focus on Birmingham council's decision to review the 23 nurseries it is thinking of closing, including three in my constituency—Millpool Gardens, Selly Oak and Reameadow. The council says today in response to the report that it is going to refocus on early intervention and prevention, but that cannot be done by cutting basic nursery provision; it cannot be done by no one resigning when, in the 21st century, a little girl starves to death when she is supposed to be under the protection of Birmingham city council; and we will not make much progress when not a single person admits responsibility and resigns for that atrocity.

Instead of anyone resigning, what has Birmingham council done? It has appointed a new cabinet member and an additional senior manager earning £120,000 a year—just slightly less than the Prime Minister—in order to improve its services. That is why there is no money for social workers. That is why there are not enough social workers. That is why there is no money to provide basic services and provision in Birmingham. It is a disgrace that the council is getting away with it—and if there was more time, Mr Speaker, I would tell you what we ought to do to deal with it.

6.42 pm

Barbara Keeley (Worsley and Eccles South) (Lab): I thank all hon. Members who contributed to the debate. Clearly, we have to look at how we allocate time, because I understand that we have had 41 speakers. We have had subjects ranging from fishing quotas and pre-fab bungalows, to maternity services and cancer drugs, and from a much-needed bypass to much-wanted railway improvements. We have also heard three excellent maiden speeches from the hon. Member for Witham (Priti Patel) and my hon. Friends the Members for Hyndburn (Graham Jones) and for Livingston (Graeme Morrice).

One major theme has been the continuing concern of hon. Members about the loss of new school buildings under the Building Schools for the Future programme. That was raised by my hon. Friends the Members for Bolsover (Mr Skinner), for Bolton West (Julie Hilling), for Makerfield (Yvonne Fovargue) and for Leyton and

[Barbara Keeley]

Wanstead (John Cryer), and the hon. Member for Portsmouth South (Mr Hancock). It is of great concern to those hon. Members and to the head teachers, governors, pupils and schools affected. We cannot have good quality education in schools where tiles have to be stuck back on the walls. Hon. Members have urged the Education Secretary to think again, and I join them in repeating that, for the sake of our schools and for the jobs that would have been created or protected by investment in BSF.

The hon. Member for Witham made a good maiden speech. She had the task of paying tribute to not one but four predecessors, and she did so very well. Like other Labour Members, I do not share her enthusiasm for Margaret Thatcher, but I am sure that most Members are supporters of their local newsagents and other small shops in our communities. My hon. Friend the Member for Hyndburn made an excellent maiden speech, paying tribute to his predecessors and drawing a picture of the communities from Oswaldtwistle to Accrington, and on to the borders of the Ribble valley. He cited as badges of honour that his constituency contains the birthplace of the industrial revolution, and that his predecessor invaded the stage at a Clash concert. My hon. Friend the Member for Livingston also made an excellent speech. On confusion over names, I should tell him that in the last Parliament, we had two Michael Fosters and two Angela Smiths, but there was only one Robin Cook, to whom he rightly paid tribute. He drew some vivid pictures of West Lothian communities and paid tribute to local government leaders, of which he was formerly one.

Several hon. Members raised issues caused by policy confusion in developments in the NHS. My hon. Friend the Member for Bolton West spoke about confusion and disarray caused in Greater Manchester by the Health Secretary's decision to revisit the consultation on maternity and neonatal services. In Salford, we very much want to keep open our maternity unit at Hope hospital. She is right to draw attention to the confusion caused not only in Bolton, but in Bury, Rochdale and other parts of Greater Manchester. We ask that Health Ministers listen to local people and resolve the future of our maternity services.

The hon. Member for South Staffordshire (Gavin Williamson) talked about cancer drugs. There is much condemnation of primary care trusts when difficult decisions are made about the funding of certain drugs. It is tempting to think that if all decisions were taken by GPs, that would solve all the problems. However, not all GPs either want or are ready to take on commissioning. We should ask what effect their taking financial decisions will have. What will a patient think when a GP says no to a particular treatment or drug for financial reasons? The disappointment will be the same.

My hon. Friend the Member for Stretford and Urmston (Kate Green) made a compelling case for fairness in the services delivered to her constituents and voiced her concern about the cuts made by Trafford council. I should say that I was a councillor in Labour-run Trafford from 1995 to 2004. We worked hard to protect care for older people, develop services for children and young people, and even keep our parks and gardens. She is a strong advocate for her constituents, as she showed in her speech today.

The hon. Member for Crewe and Nantwich (Mr Timpson) talked about competitive sport. Although I agree with him about the need to encourage excellence, my biggest fear is for all those children and young people who will not be able to afford the costs of participating in sport, particularly now that the grants for free swimming have been cut.

My hon. Friend the Member for Islington North (Jeremy Corbyn) talked about enjoying Adjournment debates in the middle of the night in the 1980s. For most people, this debate, lasting five hours in the daytime, has been long enough. *[Interruption.]* "Oh no!" I hear. "We could have gone on longer." He also referred to his concern about the future of the health service in Islington. He urged Ministers to stop messing with the NHS, a view that I strongly support.

The pre-recess Adjournment debate is a good vehicle for allowing hon. Members to raise issues and express views. The hon. Member for Southend West (Mr Amess) has raised nine issues today. I have known him to raise 13, so he was being kind to the Deputy Leader of the House.

The hon. Member for Mid Bedfordshire (Nadine Dorries) spoke of a local case involving a trader and constituents who had lost their life savings. I hope that her raising the issue today will help to publicise her constituents' plight.

The hon. Member for Rossendale and Darwen (Jake Berry) talked about a superb new leisure centre and a new academy school in his constituency. It is very good to hear of sound investment from a Labour Government. I agree with my hon. Friend the Member for Kingston upon Hull North (Diana R. Johnson) that Government investment, including that made through regional development agencies, is welcome in many constituencies.

The hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) argued strongly for the first-past-the-post system of voting. My hon. Friend the Member for Rhondda (Chris Bryant) talked about the coalition Government's appalling proposals to hack away at communities and change constituency boundaries to suit a political purpose. We will all have more to say on that when we return in September.

My hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) made a strong case for a bypass in his constituency. My constituency of Worsley and Eccles South suffers from congestion, and we have three motorways and some of the most badly designed junctions anywhere. I hope that the Department for Transport will cancel the ill-advised lane gain scheme proposed for junctions 12 to 15 of the M60, and that whatever is saved can be used to help further the proposals for the bypass in Stalybridge and Hyde.

A number of Members have talked in strong terms about planning and faceless bureaucrats, and about central decisions being made on planning issues. However, that is exactly what the Conservative-led Government are doing by closing more than 150 magistrates and county courts, including in Salford. As we have heard, keeping justice local is a key issue in places such as Sittingbourne and Sheppey too. I hope that Government Members will continue to argue against the Government's centrally driven decision on that.

When we are working in our constituencies over the recess, rather than here, it is important that we keep in mind those in our armed forces, to whom I pay tribute. I pay tribute to those serving in Afghanistan, to those

who have fallen and their families, and to those who have been injured. We must always remember their service and sacrifice, and support them and their families.

I should like to wish a good summer break to all the staff who provide so much support to us throughout the year, particularly the staff of *Hansard*, who make sense of our debates, the staff in the Library, all the wonderful staff in the Tea Room, the other catering staff in the House, the cleaners, the Clerks of the Committees, the police, the Serjeant at Arms and her team, and the Doorkeepers. We really appreciate the work that they all do to ensure that this place runs as smoothly as possible.

Finally, Mr Speaker, may I thank you and all the Deputy Speakers for keeping such excellent order in our debates? The new team has done a great job, and I hope that you all have a good break during the summer.

6.49 pm

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): I want to start where the hon. Member for Worsley and Eccles South (Barbara Keeley) finished, just in case I do not get the chance to say this later. I really want to send all those who work in the House my very best wishes and pay tribute to the way in which they keep this place running. They include the staff of *Hansard*, the Library and the Tea Room, the cleaners, the Clerks, the police, the Serjeant at Arms and her team, and the Doorkeepers. I particularly want to join the authors of early-day motion 596 in paying tribute to George Blaylock, Clive Burrows, Ken Jones and Clive Thomas, who, after a combined 73 years of service, are retiring as Doorkeepers. [HON. MEMBERS: "Hear, hear!"] I hope that all hon. Members appreciate how much we owe to the staff of this House and the way in which they carry out their duties.

There is not time to do justice to all the excellent speeches that we have heard this afternoon. The Chair of the Backbench Business Committee, the hon. Member for North East Derbyshire (Natascha Engel), made the very good suggestion that we should find a mechanism whereby everything that is said in these debates receives a proper response from Ministers. I will do my best to ensure that that happens on this occasion. Certainly, I shall ensure that any points to which I do not respond go to the appropriate Department. Her request was backed up by the hon. Members for Islington North (Jeremy Corbyn) and for Battersea (Jane Ellison).

I congratulate the three hon. Members who made their maiden speeches today. We had a surfeit of very competent speeches, and I am delighted that the standard of speeches has been maintained by all those who have entered the House this time round. The speeches covered an enormous amount of territory. We went from the Clash with the hon. Member for Hyndburn (Graham Jones) to the jam with my the hon. Member for Witham (Priti Patel). The hon. Member for Livingston (Graeme Morrice) did something that I always appreciate—namely, he put a few of his more difficult-sounding villages into the middle of his speech. I always do that, because it keeps the officers of *Hansard* happy. Kingsbury Episcopi! I just throw that in for no reason at all.

On the substance of the debate, there were groups of subjects, and they included schools, which featured prominently. Some hon. Members paid tribute to schools in their constituencies. They included the hon. Members for Rossendale and Darwen (Jake Berry), for Harrow East (Bob Blackman) and for Harrow West (Mr Thomas). Several hon. Members were concerned about school buildings and the fact that they had fallen foul of the cancellation of Building Schools for the Future. That point was raised by the hon. Member for Bolsover (Mr Skinner). Whenever he talks about the mining interests in his constituency, he reminds me of the coal mining area of my constituency, where the pits closed a little earlier than in his.

I appreciate the need to replace our crumbling schools, and I wish that we had had a programme that was capable of being delivered. However, in the case of those schools that deserve replacement, I hope that hon. Members will persevere, and that they will push, push and push again for those schools to be included in future programmes. I know that the Secretary of State for Education and the Minister with responsibility for schools, my hon. Friend the Member for Bognor Regis and Littlehampton (Mr Gibb) will listen to those propositions. I hope that Ministers will meet the hon. Member for Bolsover about Tibshelf school. I hope that they will also meet the hon. Member for Leyton and Wanstead (John Cryer), my hon. Friend the Member for Portsmouth South (Mr Hancock) and the hon. Member for Tiverton and Honiton (Neil Parish).

I think that the hon. Members for Kingston upon Hull North (Diana R. Johnson) and for Birmingham, Selly Oak (Steve McCabe) were talking about schools that were not part of the Building Schools for the Future programme. One of the criticisms of that programme was that it did not extend to primary schools, infant schools or nursery schools, and perhaps that is something that we need to do in the future.

Another sub-theme related to trains. The hon. Member for Rossendale and Darwen talked about the need for a Rossendale to Manchester link. He was supported in that by the hon. Member for Bolton West (Julie Hilling). The hon. Member for Enfield North (Nick de Bois) talked about the deficiencies in provision in his constituency, and he mentioned National Express. The hon. Member for Morecambe and Lunesdale (David Morris) mentioned the famous station at Carnforth, and my hon. Friend the Member for Chippenham (Duncan Hames) talked about the slightly less famous station at Melksham. I am nevertheless familiar with that station, and with the need for First Great Western to do a better job. I hope that we will be able to make progress on what is essentially the railway companies providing a better service. I hope that the Under-Secretary of State for Transport, my hon. Friend the Member for Lewes (Norman Baker), who is very much engaged with these issues, will take those matters forward.

Another sub-theme was health. I will forgive the hon. Member for Islington North for calling me "hapless"; I think I have quite a lot of hap, although he feels otherwise. He spoke about the Whittington hospital, and I know how important it is. He argued for local decisions on hospitals and against centralisation. The hon. Member for Bolton North East (Mr Crausby) said that he did not want local decisions on hospitals, but centralisation and a big supercentre. They cannot both be right, but the most important thing is that local provision is what is necessary to provide a good health service in the local area. The points raised will continue to be debated.

[Mr David Heath]

The hon. Member for Blaenau Gwent (Nick Smith) did a side advertisement for the Eisteddfod Genedlaethol Cymru, offered birthday wishes to his constituent, and also talked about alcohol pricing. How we reduce binge drinking is something that we will have to address as a public health issue. I think that the Department is very seized of the importance of that.

The hon. Member for Tiverton and Honiton spoke about the two hospitals in his constituency and wants to see a return to the provision of maternity services, while the hon. Member for South Staffordshire (Gavin Williamson) raised the issue of his constituent who needed a cancer drug. I am sure he will be pleased that my right hon. Friend the Secretary of State for Health has announced today that from October an extra £50 million will be available to help patients get access to innovative new cancer drugs. Doctors will be put in charge of deciding how the funding is spent for their patients locally, based on the advice of cancer specialists.

I thought there would be a sub-group based on courts when the hon. Member for Sittingbourne and Sheppey (Gordon Henderson) talked about Sittingbourne court. I could join this group, as I am facing the proposed closure of Frome magistrates court. There is a consultation exercise and we will all put our views forcefully to the Ministry of Justice. Decisions will be based on access to justice criteria, which is very important. I hope that he will make his case on that basis.

We now come to a group that I have headed simply as "denial". This includes the hon. Members for Stretford and Urmston (Kate Green), for Bolton West, for Makerfield (Yvonne Fovargue), for Leyton and Wanstead, for Hampstead and Kilburn (Glenda Jackson) and for Liverpool, Wavertree (Luciana Berger), who would simply not accept the mess that their Government—the Labour Government—had left. The key phrase came from the hon. Member for Bolton West who said that the choices that are being taken now are not the choices they would have made. Well, we would have loved to have known what choices they would have made, because they were committed to £40 billion-worth of cuts and 500,000 job losses in the public sector. Come on, let us hear what they were!

Let me try to deal with all the rest in the three minutes remaining. The hon. Member for Southend West (Mr Amess) ranged from fishing smacks under 10 metres in Leigh-on-Sea to myalgic encephalomyelitis and his constituents Julie Ditchburn and Tinashe Sahanga, Southend airport, clamping and policing. I will make sure that various Departments will get to hear what he had to say.

The hon. Member for Mid Bedfordshire (Nadine Dorries) raised what sounds like a very important case of the Financial Services Authority failing in its regulatory function in respect of her constituents. The hon. Member for South Staffordshire mentioned Traveller sites and is presenting a petition. He will be pleased that the decentralisation Bill is coming forward in mid-November to give extra powers to local authorities.

The hon. Member for Crewe and Nantwich (Mr Timpson) raised competitive sports and I absolutely agree with him, while my hon. Friend the Member for Chippenham talked about his constituent in Avoncliff and the attitude of the Environment Agency. He and I share a lot of experience on this issue of micro-hydro power generation and the attitude of the Environment Agency. It is an issue that we must get to the bottom of.

The hon. Member for Montgomeryshire (Glyn Davies) talked about the law-making powers for the National Assembly of Wales, while the hon. Member for Portsmouth South spoke about houses in multiple occupation and the difficulties of council tax and business rates. I hope that the Department will look at those issues.

The hon. Member for Stalybridge and Hyde (Jonathan Reynolds) talked about the Mottram-to-Tintwistle bypass and wanted a meeting with a Minister. I think he threatened civil disobedience if he did not get it, so we had perhaps better arrange it. I hope that the relevant Minister will explain why the public inquiry was so mishandled under the last Government.

The hon. Member for Morecambe and Lunesdale talked about the conservation of the conservation of the coastline, while the hon. Member for Edinburgh East (Sheila Gilmore) told us that all civil servants are not fat cats—and she is absolutely right; it is an important point that needs to be made. The hon. Member for Nottingham East (Chris Leslie) talked about Kashmir, while the hon. Member for Totnes (Dr Wollaston) talked about the Hope Cove lifeboat. She raised a crucial issue; she wants to know when a Minister will visit and asked about the freedom of information request. I will make sure that her specific questions are answered.

I have no time to respond to any more questions, but I will ensure that hon. Members do get replies to the points that they raised. May I wish you, Mr Speaker, and all staff a very happy recess.

7 pm

Motion lapsed (Standing Order No. 9(3)).

PETITIONS

Gilad Shalit's Continued Captivity

7 pm

Mr Lee Scott (Ilford North) (Con): I wish to present a petition signed by 5,807 people. It states:

The Petition of the residents of Ilford North and others,

Declares that the petitioners deplore the continued captivity of Corporal Gilad Shalit and the violations of his basic human rights; notes that 25 June 2010 marked the 4th anniversary of Shalit's abduction by Hamas militants and that for over four years he has been denied visits from the Red Cross, adequate medical care and contact with the outside world; further declares that the petitioners believe these to be serious violations of his human rights under international law; and further notes that the petitioners believe that the inhumane prison conditions imposed on Shalit are criminal, immoral and unjust.

The Petitioners therefore request that the House of Commons urges the British Government, and in particular the Secretary of State for Foreign and Commonwealth Affairs, to do all in their power and use all avenues possible to secure the basic human rights and freedom of Corporal Shalit, and call upon the United Nations and International Red Cross to redouble its efforts to secure the basic human rights and freedom of Corporal Shalit.

And the Petitioners remain, etc.

[P000852]

Traveller Sites on Green Belt Land (South Staffordshire)

Gavin Williamson (South Staffordshire) (Con): I wish to present a petition from residents wishing to stop Traveller sites from being built on green belt land, which has been signed by 2,181 people. It states:

The Petition of residents of the South Staffordshire constituency and others,

Declares that Traveller sites are being built on green belt land; and further declares that the petitioners believe that planning law should apply to these sites.

The Petitioners therefore request that the House of Commons urges the Government to bring forward proposals to change the law to prevent Traveller sites being imposed on green belt land.

And the Petitioners remain, etc.

[P000853]

Sunnyhurst Wood (Lancashire)

Jake Berry (Rossendale and Darwen) (Con): I wish to present a petition on behalf of the Friends of Sunnyhurst Wood and others. It records the support of the users of Sunnyhurst wood to stop the

"storage of silt from the Paddling Pond and Moat Lake"

being allowed to form

"large unsightly mounds over long periods."

Following is the full text of the petition:

[The Petition of the Friends of Sunnyhurst Wood and others,

Declares that the storage of silt from the Paddling Pond and Moat Lake in Sunnyhurst Wood results in the formation of large unsightly mounds over long periods.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Communities and Local Government to call on Blackburn with Darwen Borough Council to take steps to prevent the storage of silt in Sunnyhurst Wood.

And the Petitioners remain, etc.]

[P000854]

Human Trafficking

Mr John Leech (Manchester, Withington) (LD): I wish to present a petition on behalf of 730 students from Levenshulme high school, who arranged a special event at the school to raise awareness of the ongoing problem of human trafficking. The petition states:

The Petition of the constituents of Manchester Withington and others,

Declares that the petitioners believe that the continuing and increasing incidence of human trafficking into the UK and across the world is a disturbing situation that brings misery to many adults and children across the globe; notes that the petitioners believe human trafficking is a stain on the moral values of the UK; and notes that the petitioners support the "STOP THE TRAFFIK" campaign.

The Petitioners therefore request that the House of Commons urges the Government to take all possible steps to put an end to human trafficking.

And the Petitioners remain, etc.

[P000855]

Trigeminal Neuralgia

Motion made, and Question proposed, That this House do now adjourn.—*(James Duddridge.)*

7.5 pm

Jim Fitzpatrick (Poplar and Limehouse) (Lab): I am very pleased to have secured this debate, and I hope it might provide some comfort to many people across the UK who suffer from the condition of trigeminal neuralgia or TN. I should declare my interest: I have been a fellow sufferer. It is an interest I would gladly disown and, indeed, I fairly recently had neurosurgery to try to achieve just that—to disown it. I am grateful to the Minister for being in his place, and I am sure that he is as pleased as I would have been in his position to be closing the sitting for the Government before the recess.

If I may, I will outline some background to the condition, because part of the reason for securing this debate was to raise awareness of TN. Then I would like to express a little appreciation for those trying to deal with TN and help the sufferers. I will conclude with a few requests of the Minister, of which I have given him prior notice.

The Trigeminal Neuralgia Association UK—TNA UK—of which I am a member, is a support group for people suffering from an agonisingly painful neurological condition. Trigeminal neuralgia affects one or more of the three branches of the trigeminal nerve in the head and has been called "the worst pain known to man." It is characterised by sudden, excruciating spasms of electric shock-like pain, usually just on one side of the face. Thankfully, it is a relatively rare condition thought to affect less than 0.1% of the population, although the latest TNA indications are that there are 12.6 sufferers per 100,000 people in the UK. It is more common in women than men, and although it usually affects people aged 50 or over, the association is coming across many younger sufferers, even young children.

I remember my first referral to a maxillofacial consultant at the Royal London hospital. He asked me to describe my symptoms. I told him and the medical students who were with him, "It makes me cry". "There you are," he told his team, "a classic definition of the condition. You either have a London bus parked on your foot or you have trigeminal neuralgia."

Apparently there is nothing new about TN. It has been documented from the times of the Greeks and Romans in the 1st century, but because of its rarity research has been spasmodic and it is still a little-known condition often misdiagnosed due to lack of knowledge among some medical professionals.

The exact cause of the condition is unknown, but it is thought to be as a result of damage to the root of the nerve at the base of the skull where it emerges from the brain stem and often because the nerve is being compressed by a vein or artery. This damage causes the nerve to malfunction and send messages of intense pain to the brain in response to just a light touch on a "trigger" area of the face.

The pain can last from a few seconds to a few minutes, and there can be many bursts of pain in quick succession. Many patients suffer for months or years without correct treatment, and even undergo extensive, unnecessary dental work before the condition is correctly

[Jim Fitzpatrick]

diagnosed. There can be periods of complete pain remission, but these gradually become shorter and shorter, and patients therefore live in constant fear of a severe attack of debilitating pain.

Any facial movement, such as eating, talking, smiling or kissing, shaving, washing the face or brushing one's teeth can provoke an attack, and that can completely destroy any quality of life. There were several occasions in this place when I was preparing to speak and was fearful that I would be prevented from doing so because of the sense of an impending attack. That might have improved others' quality of life in not having to listen to me, but for some patients being unable to live normally leads to their becoming isolated and depressed, sometimes to the point of suicide.

Normal painkillers do not bring any relief and initially anticonvulsants used to treat epilepsy are prescribed. However, these often have unpleasant side effects and lose their efficacy with time so ever larger doses are required. When the medication is no longer effective, or if the side effects cannot be tolerated, various surgical procedures can be considered, although these carry a risk of complication and results are not always long lasting. The data on the success of surgical procedures are only now being assessed and will be more accurately evaluated in the future. The most effective operation is a micro-vascular decompression or MVD—major surgery that involves moving the offending blood vessel or vessels away from the nerve, close to the brain stem. Unfortunately, TN has a habit of recurring, and even this operation does not always deliver long-term relief.

I should at this point express my sincere thanks to the excellent Mr Neil Kitchen and his first-class team at the national hospital for neurology and neurosurgery in Queen's square, London. He operated on me last December, and I am happy to say that since then, when I was in considerable distress, my condition is much improved and my need for medication is now minimal. I should also say thank you to my wife, Dr Sheila Fitzpatrick, without whose care, love and attention a difficult experience would have been much more painful.

The Trigeminal Neuralgia Association was formed in 1999 by a patient and a doctor, Professor Joanna Zakrzewska. It specialises in treating TN, offers support and encouragement to sufferers, and became a registered charity in 2002. Professor Zak, as she is fondly known for obvious spelling and articulation reasons, is a beacon of hope to all TN sufferers. Worldly and wise, she is the essence of reassurance, and on her own or sometimes allied to Mr Kitchen and other surgeons, she offers sufferers real hope.

The aims of the association are to continue to provide information and offer support to members, and to raise awareness of TN among medical professionals and the general public. TNA UK receives no Government or corporate funding and is entirely dependent on membership fees and donations. All the association's officers give their time for free, and TNA UK is now in contact with more than 1,000 patients, receiving many new inquiries each week. The officers of the association—the tireless chairman Jillie Abbott, supported primarily by Mr George Cunningham, a former hon. Member and treasurer of TNA UK, and membership officer Mr Clive Clifton—and numerous other generous individuals volunteer to spread the word, helping sufferers and raising awareness. They are all very much appreciated because of their efforts. The association can be reached by searching the web for TNA UK.

I mentioned earlier the misdiagnosis of TN as dental problems. I am pleased to report that the British Dental Association has acknowledged that its members can help in this regard. I am told that it plans to commission an article on facial pain for its *British Dental Journal*, and is considering a session on facial pain at next year's BDA conference. We in TNA UK will be happy to do all we can to assist with that, and we are grateful to the BDA for looking at the issue so seriously. I have also written today to the BDA to seek confirmation of the initiatives.

I would be very grateful if the Minister advised the House on the following matters. In his briefing for this debate, have his officials acknowledged that there is an awareness issue? Notwithstanding the rarity of the condition, greater familiarity among medical and dental practitioners would save money and, more importantly, reduce suffering. TNA UK is not asking for funding, although that would be welcome—if the Minister has his cheque book, we would like to see it.

As I have said, the association volunteers work very hard. However, can the Minister advise whether there is anything that TNA UK can do to help additionally promote awareness of trigeminal neuralgia within the NHS family? Is there anything that the NHS can do specifically to support Professor Zak in her research into the condition and surgical outcomes? Finally, TNA UK and individual sufferers would welcome any advice that the Minister might have in respect of their condition and how their overall situation might be improved.

I am grateful for the opportunity to have this debate and I look forward to the Minister's response.

7.14 pm

The Minister of State, Department of Health (Mr Paul Burstow): I congratulate the hon. Member for Poplar and Limehouse (Jim Fitzpatrick) on securing the opportunity to debate this important issue on the last day before the summer recess. To have the privilege to be the Minister replying to a debate at this Dispatch Box is not something I necessarily expected when we all departed from this House in April, so it is a double pleasure to be concluding business in the House before we leave for a busy summer recess.

I congratulate the hon. Gentleman on highlighting this important topic, on bringing it to the attention of the House and on raising it with me as the Minister and, through me, with officials. He is right to raise both his personal experience and, in doing so, the experiences of many others who suffer from this condition and who often live with long-term chronic pain. He has spoken movingly and powerfully about the misery and discomfort that the condition can bring. I have heard that in some cases a strong wind just brushing a person's cheek can be enough to trigger or ignite that intense pain through the nerve endings firing up. That is almost impossible to imagine unless one has personally experienced it, as he has described.

The hon. Gentleman asked about professional awareness. I have to confess that ministerial awareness of this condition was extremely low until quite recently. I had

not heard about it—I will be honest—and I have spent the past few days learning as much as possible about it. From what I have learned, I agree that the condition deserves to be much better understood by policy makers, the general public and front-line clinical staff. The hon. Gentleman gave an excellent account of what clinical experts believe causes trigeminal neuralgia and of how the condition can be managed, and he rightly talked about how understanding of its prevalence is developing.

As the hon. Gentleman has explained, there are various treatments available. I understand that in about three-quarters of cases, patients respond well to anti-convulsant drugs, which have the effect of settling the nerve endings. However, although those drugs can be effective in reducing the frequency of attacks, they might not remove the pain entirely. Pain management techniques are then important for helping patients to manage their condition when attacks occur. As he has described, some patients might find that drug treatments become less effective over time or that they cause undesirable side effects. That is when surgery might become necessary to interrupt or block electrical activity in the nerve. There are several options, as he has described, but in the most severe cases, surgery is often the option taken up; it can be invasive and delicate, and it might not always bring the long-term relief that is desired.

Radiosurgery is another option, which may successfully interrupt the nerve impulses. There is exciting work under way using Gamma Knife technology, which is less invasive and can be more effective. The hon. Gentleman might be interested to know that the National Institute for Health and Clinical Excellence recently issued updated guidance on treating trigeminal neuralgia using Gamma Knife.

I have been told by my policy officials that one of the big challenges in treating this condition is diagnosis, which involves a GP or dentist having to rule out a whole host of other possibilities, including tumours, dental problems, the after-effects of shingles and dysfunction of the jaw. I can tell the hon. Gentleman that the Royal College of General Practitioners has developed a curriculum statement for neurological problems, which includes the need to consider trigeminal neuralgia in patients with headaches and neuropathies—I think that last word will read better in *Hansard* than I pronounced it—so it should be something that GPs cover as part of their initial training.

I add that the condition is also referenced in undergraduate dentistry training. Of course, because of its rarity, many GPs and dentists will see it only very infrequently in their practice, so I join the hon. Gentleman in welcoming the work that the British Dental Association is doing to promote the condition and to keep these possibilities in the front of dentists' minds. By way of supporting these efforts, I have asked my officials to contact the dental deans to make sure that the condition also features in the continuing education and training of dentists.

The hon. Gentleman's description of trigeminal neuralgia shows the need to join up national and local approaches to pain management and long-term conditions. As an action arising from this debate, I have asked my officials to look carefully at pain management in the context of the framework for long-term neurological conditions. I want to help the NHS to make the right connections between local services and to align national and local policies more closely to be helpful in that regard. We will have to make sure that all that feeds into commissioning and clinical practice at local level, and there are several areas in which we are looking to build knowledge and awareness at all levels of the NHS.

First, as the hon. Gentleman might be aware, NICE has recently issued new clinical guidelines on managing neuropathic pain. The guidelines specifically mention trigeminal neuralgia and describe the circumstances in which patients should be referred to a specialist pain service. On the back of that, NICE is working with the National Institute for Health Research to explore additional avenues of research that could help patients with the condition.

The NICE guidelines on neuropathic pain recommended four areas for future research, one of which is specific to trigeminal neuralgia and would give us evidence of the effectiveness of one of the most commonly used treatments. The other three topics cover the use of combination drug therapies, factors influencing quality of life, and the question of how much treatment should be influenced by the underlying cause of pain. They will be relevant to all forms of neuropathic pain, including trigeminal neuralgia. I can tell the hon. Gentleman that the topics are being considered for research as part the health technology assessment programme, and that a decision will be made in due course.

A second area of interest concerns the future planning of local services. The Government have agreed to press ahead with a national pain audit, to which 200 pain clinics are already signed up. Data collection will begin later this year. The audit will assess not only the organisation of local services to ensure that they meet local needs, but quality of care through the measurement of patient outcomes. The audit will help us to build a picture of patient need, which will help the NHS to build local strategies to improve pain management services. Again, such information will enable us to ensure that the right services are available for people with trigeminal neuralgia.

Thirdly, as the hon. Gentleman might also be aware, a consultation will take place during the summer on the NHS transparency in outcomes framework set out in the recent NHS White Paper. We want to hear the views of health care professionals, patients, carers, hon. Members and the public on what measures we should seek with regard to best outcomes and ensuring that patients have the right experiences in the NHS. I would certainly like TNA UK to contribute its thoughts on that, because that would help the shaping of the kind of outcome agenda that we want to see.

Fourthly, I will meet the Neurological Alliance, an umbrella group representing more than 50 neurological charities and organisations, to discuss the way forward on long-term conditions more generally. I understand that TNA UK is part of this group, so I hope that it will make its views known in the alliance so that they can form part of our discussions.

I join the hon. Gentleman in thanking third sector organisations such as TNA UK, which he rightly praised, for their work in raising patient awareness. On average, someone with chronic pain will have direct contact with a health professional for only about three hours a year; they care for themselves for the rest of the time. It is therefore extremely important for patients to know about their condition and receive the support that they need to manage their pain. That will become ever more

[Mr Paul Burstow]

important as we broaden control through personal health budgets and offer patients greater choice and say over their treatment. Good information for patients is the key to unlocking those benefits. I should add that there is also useful information on the NHS Choices website, which discusses the diagnosis and treatment of the condition and puts patients directly in touch with TNA UK.

The hon. Gentleman asked what else TNA UK could do to raise awareness of the condition or to improve the position of sufferers. I have already described a number of initiatives on which we would warmly welcome input from TNA UK. If I may make a final suggestion, the Chronic Pain Policy Coalition is doing excellent work nationally and regionally to inform and shape policy. TNA UK has common cause with such groups, so they could helpfully join forces to make the case for better pain management throughout the country.

I congratulate the hon. Gentleman on securing the debate, and I am now aware of the pain and agony that the condition can bring. Although I am afraid that the Department of Health is not resourced to give equal attention to every individual condition, it is gratifying to know that organisations such as TNA UK are supporting patients and promoting greater awareness. I am keen for us to work with them, and with the hon. Gentleman, to continue improving the quality and effectiveness of treatment for those who suffer pain, and I believe that the White Paper provides useful impetus in that regard.

On a personal note, I wish the hon. Gentleman the very best. I am delighted to hear that his treatment was to his satisfaction, and I hope that it provides him with lasting relief from this distressing condition.

Question put and agreed to.

7.25 pm

House adjourned.

Westminster Hall

Tuesday 20 July 2010

[MR CHRISTOPHER CHOPE *in the Chair*]

North-West Economy

Motion made, and Question proposed, That the sitting be now adjourned.—*(James Duddridge.)*

9.30 am

Hazel Blears (Salford and Eccles) (Lab): I am delighted to have secured a debate on the future of the new economy in the north-west and to be joined by so many colleagues from both sides of the House. We will no doubt have a lively and interesting debate on an issue that is incredibly important for us and for our constituents, as well as for businesses, employers and employees in our areas.

We all know in our hearts that the new economy will be very different from the economy that we have seen over the past 20 or 30 years; it will certainly not be built simply on financial services or run in the south-east, with the engine of growth located in one particular part of the country. If it is to be successful, it will have to be driven by the regions, which have tremendous skill, expertise, depth of knowledge and creativity, as well as the ability to expand into new areas in which this country will have to be competitive if we are to continue to ensure that our people have the opportunities and skills that they desperately need. Nowhere is that truer than in the north-west, where we already have a fantastic base on which to build.

I want to concentrate on a number of issues, including digital media and the creative industries, about which my region has a great story to tell and which have a great future; the importance of green jobs, in particular some of the advanced manufacturing jobs; the emerging areas in the biosciences and the importance of research and development in building on innovation in our universities; and, finally, the construction industry, which is not always seen as a new industry, but is increasingly adapting to new innovations and construction techniques, which will give the north-west a significant competitive edge.

The creative industries are inevitably closest to my heart because of the establishment in Salford of MediaCityUK, which has emerged like a phoenix from the ground over the past couple of years. Anybody who visits Salford Quays cannot fail to be impressed by not only the buildings but the whole sense that a new city—a new metropolis—is being created in what was the Salford docks. It is difficult to believe that we now employ more people on Salford Quays than we did at the height of the docks' success in the 1940s and 1950s. This is a tremendous success story, and when the current phase of development is completed, we should have 15,500 new jobs and £500 million of investment. That includes £450 million of private sector investment, which will have been levered as a result of the excellent work done by all the agencies involved. The current private-to-public investment ratio is about 4.5:1 so this is a big success story, and it is down to the work of the urban regeneration company, the city council and—I will say something about this later—the Northwest Regional Development Agency, whose work in recent years all of us have great cause to be thankful for.

In Manchester, we also have the Sharp project, which works with cutting-edge digital and creative media and provides jobs particularly for young people in the emerging industries around video games. I was disappointed that the Government decided in the Budget to take away the allowances and incentives for the video games industry. Just a few months ago, Salford received £1 million to pump-prime development of some of the tremendous emerging technology involved in video games, and it is a retrograde step to take that allowance away.

Digital and creative media currently account for 7.3% of GDP in the north-west. I absolutely believe that they are a growing sector and one in which we need to continue to invest. I make no apology for saying that I will bang on about MediaCityUK to every Minister I can because, in this instance, I do not really care where the investment comes from, as long as it keeps coming into Salford and helps my community.

The second area we need to concentrate on is advanced manufacturing, and I have no doubt that many of my colleagues will talk more about it. We are incredibly proud of the aerospace industry in the north-west, and we jeopardise at our peril the extensive high-level skills that have been developed in the industry over many years. The industry accounts for 12.9% of our GDP, giving the lie to the claim that manufacturing no longer really exists in this country.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I am grateful to my right hon. Friend for securing the debate and I am glad that she specifically mentioned manufacturing, which is still of huge importance to constituencies such as mine. Does she agree that one of the biggest concerns among manufacturers—certainly those I speak to—is what they perceive to be the Government's lack of understanding about the relationship between the public and private sectors? Manufacturers in my constituency have clients across the world, but a key part of their business is supplying the public sector. The Government are ruthlessly cutting public sector procurement in the Budget, and manufacturers will be unable to drive the country out of recession and back into growth if they do not have the necessary support and stimulus from the Government.

Hazel Blears: My hon. Friend makes an extremely important point. The Government's choice to take an extra £40 billion out of the economy—over and above what the Labour Government would have taken out to reduce the deficit—runs the severe danger of tipping us back into recession. All the independent forecasters say that the north-west is recovering, but that that recovery is tentative, and they do not expect to see full growth until 2013.

Advanced manufacturing jobs are also essential to the green agenda, but I am increasingly worried that, although we talk the talk about new green jobs to draw in investment, some of the action that is taken is almost in opposition to the need to invest in green jobs. At the end of last week, a report published by Innovas and commissioned by the Manchester Commission for the New Economy looked specifically at growth in green sectors. It said:

[Hazel Blears]

"Greater Manchester is a leader in the UK in carbon capture and storage technology, additional energy sources such as biofuels and contaminated land remediation. It is also strong in alternative fuels...and above average in wind energy, low carbon building technologies and energy management...Greater Manchester has the potential to be a world leader in low carbon building technologies".

However, we have heard only this week of massive cuts in the funding to the green investment bank and in the proposed seedcorn funding to make sure that new jobs can be developed, particularly in manufacturing.

The final area that I want to mention is the biosciences. They are not new to Greater Manchester, but the rate of growth in the numbers of people working in research and development and in exploiting some of the technology that is increasingly coming from our universities is very encouraging, and I have no doubt that colleagues with more experience than me will make a contribution on the issue.

To attract all that investment and to keep doing so well, the north-west must have the right climate, and I emphasise to the Minister and other colleagues the importance of the city region. A consultation has been going on for the past couple of months—indeed, I think that it closed on Friday—about whether to confirm the statutory nature of the country's first city region, which comprises the 10 local authorities in Greater Manchester. That is not just about moving governance around or about process; at its best, it should be about the devolution of planning skills, housing and transport from Whitehall to the city regions so that they can provide the right climate to draw in investment. There is no point addressing the skills gap if we do not have a decent housing offer, and there is no point trying to draw in investment if the planning system cannot get that investment on the ground and working as quickly as possible.

Despite their different political persuasions, the authorities in Greater Manchester have sat down and been very mature about agreeing—the Government will perhaps not like this phrase—to pool their sovereignty and work for the interests of the people of Greater Manchester, which is vital. On transport, for example, the chamber of commerce says that connectivity with the northern rail hub, the super-port at Liverpool and Manchester airport, which my colleagues will no doubt talk about, is key to our future prosperity.

Derek Twigg (Halton) (Lab): I congratulate my right hon. Friend on securing this important debate. She will be aware of the importance of the proposed new Mersey Gateway, which the Labour Government committed themselves to before the election, but which the current Conservative Government have postponed, pending a review. How crucial is that to the north-west region, both as an important link for Cheshire and Merseyside, and more widely? That needs to be considered along with the rail links that my right hon. Friend mentioned. All the innovations and new industries will come about only if the infrastructure is established.

Hazel Blears: My hon. Friend is right and has championed those ideas for a long time. The proposals are important because, without the infrastructure it will not be possible to draw in the investment that will provide jobs and prosperity, enabling Merseyside, Greater Manchester, Cheshire and the northern part of the region to prosper, and giving them proper connections. That is fundamental to what we are trying to achieve. If we can get support for the city region, it could be a model for other city regions in the future. I urge the Government to proceed with that.

Even when there is devolution of housing, transport and planning, the issue of skills continues to be a challenge, as it has been for many years. There is a big skills gap between young people's qualifications and abilities and some of the new jobs on offer. Unless we close the gap there will continue to be generations of people without work. The north-west has the highest percentage of neighbourhoods—more than 20%—in the most deprived 10% in the country. We have more out-of-work benefit claimants than any other region: nearly 700,000 people are out of work and in receipt of Department for Work and Pensions benefits. That is about one in six of England's workless population. We have 375,000 people who have been claiming out-of-work benefits for two years or more, with 308,000 of them claiming for incapacity. In addition, 9.3% of our working age population is in receipt of incapacity-related benefit. That is not just a waste for the economy but a waste of lives—of opportunities and life chances for many people.

One thing that we should do to ensure that the economy prospers is tackle the deep generational structural worklessness in some communities. I commend the pilots that are happening in Greater Manchester on connecting people to opportunity. They are a new way of doing business and have been designed and championed by Chris Marsh, who works for the urban regeneration company in Salford. He has been commissioned on behalf of all 10 authorities to consider how to drill down into the families where there is generational worklessness. The early results are extremely encouraging. He has adopted a system called Total Place in which all the agencies—health, police, regeneration, education and employment services—are brought together. Budgets are pooled, the same targets are agreed and there is the same evaluation. That means more efficiency; things are not done 10 times. Everyone is targeting the families with the most problems. It makes absolute common sense. The total public sector budget in Greater Manchester, across all the agencies, is £22 billion. No one can tell me that we cannot get some efficiencies and savings, but also better results, by bringing together such public sector resources under the Total Place scheme. The pilots, which are getting people back to work because every agency is involved in targeting the relevant families, are a huge success.

I want to ask some pointed questions about how we are to work in the future. The Northwest Regional Development Agency has been a success story by anyone's measure. It is probably second to none in the way it has levered investment into the region. There has been great confusion about where the new Government want to go in relation to RDAs. The Business Secretary appeared to change his mind three times in the space of just one speech. I think that we now know that the Government intend to abolish RDAs, and many of us are very concerned about that, but we are not sure what is likely to take their place. Local authorities have been asked to consider setting up local employment partnerships with business. We are not sure at what level that will be, or how many clusters of local authorities will be involved.

Will they follow the economic footprint, which is a matter of practical common sense, or will they be artificial structures that will not, in my view, work?

Alison McGovern (Wirral South) (Lab): I wonder whether my right hon. Friend agrees with me that one of the most worrying things about the present situation in relation to the Northwest Regional Development Agency is the effect on the many relationships that have been built up around it. I have been going around my constituency talking to representatives of big business and smaller business—I was at Unilever yesterday. Local economic partnerships may be two years down the line, and that leaves a hiatus. Those relationships and the work that was being done are falling by the wayside.

Hazel Blears: My hon. Friend is right. In her relatively short time in the House she has made a tremendous contribution to highlighting those issues. She understands that in many cases business works on the basis of relationships, and that some long-established relationships are in danger of fracturing and disappearing in the interim. We need to get on with whatever is going to be done, and make sure that it is properly established.

It is important, too, as we proceed with the local economic partnerships, that when investment is drawn in local people should have the opportunity to get the jobs that are on offer. I urge the Minister to talk to his colleagues in the Department for Education. For those of us who were lucky enough to get Building Schools for the Future programmes in our constituencies—many of us did not, and are rightly angry about it—I want the contracts for those major public building projects to include apprenticeships and construction job opportunities for local people. My hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) is right to say that 40 per cent. of the construction sector's business depends on public sector projects. Many BSF programmes would have employed bricklayers, joiners and plasterers and those jobs are now lost to our economy.

Yasmin Qureshi (Bolton South East) (Lab): I congratulate my right hon. Friend on the fact that her constituency has BSF programme funding. My constituency, of course, has missed the opportunity. We are talking about job creation. Does my right hon. Friend agree that it would have been an excellent opportunity for apprenticeships? In my constituency 25,000 weeks of apprenticeship would have been created, and many jobs, on which we are now missing out.

Hazel Blears: My hon. Friend is right. The decision has completely wasted an opportunity to create for her constituency's young people access to high-quality training, proper qualifications, and work experience on the job in a building environment. This country needs those skills, so the decision is particularly short-sighted.

Bill Esterson (Sefton Central) (Lab): I congratulate my right hon. Friend on securing this important debate. Two schools in my constituency were in line for BSF wave 1, starting this year. Sefton council spent more than £1 million in preparation for BSF, and that will now be wasted.

I am also concerned about the review of other major projects in the north-west, besides BSF, such as transport and infrastructure projects—and the effect on the construction industry and the trades that depend on it for work. At a time of fragile recovery, as my right hon. Friend mentioned, that is very important. I would encourage the Government, and hope that she would too, to make the relevant decisions quickly so that further damage is not done to firms that have no other work and will end up unable to take up the slack if projects are approved.

Hazel Blears: My hon. Friend makes an important point about certainty. Hon. Members will all know that uncertainty is often more damaging to businesses than knowing what is to happen, which at least means they can plan. I disagree with the Government's decision to take an extra £40 billion out of the economy at such a time. That decision was a matter of choice. The implications that my hon. Friend has outlined are very important.

Graham Evans (Weaver Vale) (Con): May we have a bit of balance in this? Labour Members are talking of their areas, and I wish to talk about my constituency of Weaver Vale, which is a Cheshire constituency. The previous Government cancelled Mid Cheshire college's new campus, an investment of £30 million. The college invested a considerable amount of money in the project, including £2 million in architects' and consultants' fees, and all the other stuff that has to go with such jobs, but the right hon. Lady's Government cancelled it 18 months ago.

My children go to a state comprehensive school, but it has 30-year-old portakabins where the windows do not shut and the doors do not close. That, however, is in Cheshire, not Greater Manchester, Merseyside or the other conurbations that have been invested in over the past 13 years. Some areas of the north-west are regarded as prosperous and leafy, but they received no money from the Labour Government during the past 13 years.

Hazel Blears: The hon. Gentleman needs to have a word with his predecessor, who was a tremendous champion for his area.

Graham Evans: My predecessor did not stop that cancellation.

Mr Christopher Chope (in the Chair): Order.

Hazel Blears: I think, Mr Chope, that we conduct ourselves slightly differently in Westminster Hall. The hon. Gentleman needs to speak to his predecessor. It is clearly important that all children and young people have the opportunity to learn in a good environment with state-of-the art information technology, and many of my colleagues here today were looking forward to their children having that possibility. The Tory Government have denied that opportunity to many thousands of children across the region.

I have some specific questions for the Minister and then I shall sit down as I know that many other Members wish to speak and I do not want to dominate the debate. The first is about the local economic partnerships. What are they, and what is their legal status? If they are to channel investment, particularly European funds and the new regional growth fund, they will need some status rather than being a loose amalgam of people who come together on an occasional basis.

[Hazel Blears]

Will the partnerships be funded? I understand that £300 million has already been cut from RDAs nationally this year. The original RDA budgets were £2.2 billion a year over the next two years, a total of £4.4 billion. The regional growth fund announced by the coalition Government is only £1 billion over two years. That is a massive cut in the funding available to support inward investment. This year, the Northwest Regional Development Agency has suffered a cut of £52 million, which leaves it a budget this year of £235 million, a cut of almost 20%.

At what level will the local economic partnerships operate? It may be at a city region level, or an economic travel-to-work area. However, as my hon. Friend the Member for Wirral South (Alison McGovern) said, many of the relationships are at a north-west level. What will be the mechanism for ensuring that, without the RDA, we have something that has a north-west oversight of the economy?

How can we deal with issues that cross local boundaries? In business, many do, including supply chains for manufacturing, which affect businesses across the region. Who will be responsible for innovation, business support, inward investment and access to finance such as venture capital funds? I doubt whether the local economic partnerships will be responsible for that. Will it be national organisations or perhaps the Department for Business, Innovation and Skills? How can we ensure that the key job of supporting innovation and the new jobs in the economy is carried out? At the moment, business, universities and even politicians operate at the north-west level, and we need information about how things are to go forward.

The north-west economy has been doing well, despite the difficulties and the worldwide global recession of the past couple of years. We have been narrowing the employment gap with the rest of the country faster than anywhere else. Business survival rates are better than those for the greater south-east and better than for London. Export growth is 12.2%, which is higher than the average for England.

The north-west economy is a success story. However, the independent forecasting panel has said that the recovery is fragile and that, although we have tentatively emerged from the recession, recovery will remain weak until 2013. At this moment, it is essential that our region receives the support that it deserves. There is a huge amount at stake for our constituencies and our communities.

We are pretty confident in the north-west that we can continue to thrive, but we need a Government committed to supporting that investment and growth. I do not believe that we have that kind of Government. I genuinely believe that the big decisions made in the last couple of months will put us back rather than take us forward. The public-sector cuts coming in the autumn, with a predicted 600,000 job losses, will have a devastating effect not only on our communities and our families but on our economy.

I believe that the cuts that we face are too deep and too fast, and that they will do a great deal of long-term damage. I hope that we in the north-west are strong enough to weather the storm, that we do not suffer the problems that concern me, and that we do not live to regret those decisions made now that will affect us in the long term.

9.55 am

David Mowat (Warrington South) (Con): I congratulate the right hon. Member for Salford and Eccles (Hazel Blears) on securing this important debate and on her speech, the first half of which I pretty much agreed with.

It is important to put the size of the north-west economy into context. I shall talk about the regional development agency, but even in its heyday—before the cuts imposed about a year ago by Lord Mandelson, which were greater than this year's cuts—regional aid for the north-west amounted to 0.2% of our economy, which is worth about £120 billion. We have 7 million people in the north-west, which is a bigger population than most EU countries have, and it is extremely important to understand that Government aid is not what will build the world-class businesses that we need.

I believe that the RDAs did much that was good, but it is important that all Members here today remember what the Office for Budget Responsibility forecast for our economy in the lifetime of this Parliament. In broad terms, it said the north-west should aim to create 200,000 private sector jobs at the same time as cuts take place and we will lose something like 70,000 public sector jobs. That means that each Member in this Chamber will need 3,000 new private sector jobs in his or her constituency. We should all be thinking about how that can happen.

If we want to fight homelessness, deprivation and unemployment, the creation of those jobs is vital. They will be created only if we become—or continue to be, as in some industries—a world-class economy. There are areas where the north-west is world class—they include defence, advanced manufacturing and nuclear—but we have to build on those. Principally, it is not about Building Schools for the Future. I have lost BSF schools in my constituency; that was a great disappointment to me and it will hurt the construction industry. In the end, however, the generation of a world-class economy in the north-west will depend on innovation and how we proceed.

The principal question for me is whether the supply side of our economy, particularly in the north-west, will enable those 3,000 jobs to be created in each of our constituencies. The supply side is vital, and three factors are important. The first is infrastructure, and I agree with what was said about the Mersey Gateway, which is important to the north-west. The next factor is regulation, and the coalition Government have made a strong start by getting rid of some of the regulations stopping our world-class businesses from developing.

The third factor is skills development. I have a real concern that our country is not positioned where it needs to be. It is not a particularly political point, but over the past 25 years our universities have failed to generate the applied scientists and engineers who will be needed to develop the businesses the right hon. Lady spoke about. Twenty-five years ago, when 8% of people went to university, we produced 20,000 engineers a year. We still produce 20,000 engineers a year, but out of five times as many graduates. To put that into context, France produces 50% more engineers than we do—I shall not even bother giving statistics for countries such as India or China.

That our higher education establishments have failed to produce the skills in applied science and engineering that will be needed to create a world-class economy in

the north-west is close to being a scandal. A number of people should hang their heads in shame, because they have perpetuated something of a con. Many talented young people are leaving university unable to play a part in the industries of the future. In the nuclear industry, for example, the companies that will build our nuclear stations will be German and French. A recent Cogent Systems report said that we have a lack of key workers in chemical, geotechnical, mechanical and production engineering. Most ridiculous of all, National Grid is hiring engineers in—wait for it—Zimbabwe, to make the changes to our transmission and power engineering systems across the grid. Shell hires engineers in Russia. Those are opportunities that young people in our constituencies should be taking up, but they are not able to do so. If we are serious about rebalancing our economy away from the City, the financial services and oil and gas—frankly, we have had a free pass on oil and gas for a couple of decades—we cannot continue to fail in skills development. I shall be interested to hear the Minister's response on that point.

Let me turn now to my concerns about the RDA. I know that the White Paper is still to come, but the proposals are centralising. I agree with the right hon. Lady's comment that the regional fund represents a major reduction in budget from what the RDAs had in the past. The fact that it will be administered directly from London is a centralising measure. Notwithstanding how the local enterprise partnerships develop, ours could be the only major economy in the OECD that has no sub-regional intervention. I hope that that will not be the case, and that the Minister can give me some reassurance about that. It is hard to believe that the French, Germans, Americans and Canadians have got it wrong. It is not fair to have a Northern Ireland Office, a Scotland Office, a Wales Office and a Government office for London with economic intervention powers while the English regions are left outside.

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): I would not normally intervene because I know that Back Benchers want to have their say, but I must clarify that point. The regional growth fund is an entirely distinct element from how we develop local enterprise partnerships. The funding for one is not the funding for all. I will explain later how we intend to develop those partnerships.

David Mowat: The second point on which I seek clarification is how the partnerships are to be funded. Business people believe that they will be funded by the councils that make up the partnerships.

Another concern—a slightly more subtle one—is that our industrial regional policy is biased towards small and medium-sized enterprises rather than structural winners, such as nuclear power, defence and advanced manufacturing. If the regional fund is administered rather like the "Dragon's Den" TV programme is run, it is hard to see how that can result in the emergence of organisations such as Daresbury and the Atlantic gateway infrastructure programme. It seems to me that there is a risk that the types of project that go forward will be related to SMEs. We need SMEs because they drive the economy, but they also feed off structural winners and world-class businesses, such as BAE Systems and AstraZeneca, and if those businesses are not growing and generating jobs, it will be tough. It also seems to me that there is a risk of the national insurance contributions holiday, which is a great policy, also being biased towards smaller companies, as is the procurement policy.

I have three questions for the Minister. First, can we do more on skills? There is a critical weakness that could result in the 200,000 private sector jobs in the north-west that the OBR forecast will be needed not being achieved, which would be a tragedy. Secondly, are the RDA proposals centralising and do they risk the English regions being left outside any formal structures? Thirdly, is there not a danger that our policy is orientated more towards SMEs than towards picking structural winners?

Mr Christopher Chope (in the Chair): Before calling the next speaker, let me say that I intend to call the Opposition spokesman and the Minister at 10.40. I hope that Members will time their remarks so that everyone can get in.

10.6 am

Graham Stringer (Blackley and Broughton) (Lab): There is a real regional imbalance in this country. Whatever criteria or measures we use, almost every region in the country outside London and the south-east has inferior wealth and health, which is a national disgrace and a waste of resources. We have an extremely congested south-east, with space elsewhere in both the economy and the transport system. I congratulate my right hon. Friend the Member for Salford and Eccles (Hazel Blears) on bringing this important subject to the Chamber this morning. I agree with her on almost everything, apart from what she said about the regional development agency, which I will come back to.

I also enjoyed the speech of the hon. Member for Warrington South (David Mowat). He made some extremely good points, but I have some questions for him to reflect on. They are rhetorical questions rather than arguments and relate to the fact that the relationship between capital, training and the economy is rather more complicated than just training a lot more engineers and scientists—although I agree we need to do more of that. After the second world war, where were most of the world's scientists and engineers based? In the Soviet Union, which was an economic basket case. Where were there almost no trained scientists and engineers? In Japan, which saw huge growth. I make that point simply to stress that the issue is complicated.

Most Opposition Members have been asking what we will do without the regional development agency, but I think we will do rather better than we have been doing. The important thing is to ensure that money gets to where it is necessary to support business, but the regional development agencies have been a burden and a barrier to getting money into the right places. From their very inception, they have made life more difficult in the north-west. Let me explain why. It was my Government who created them, so this is not a party political point. When they were set up, money was transferred from the rest of the country into London and the south-east, where there had not previously been a development agency. That was a mistake. This is slightly unfair, but if we add up the administrative costs of all the RDAs over their lifetime, we find that they come to more than

[Graham Stringer]

£6 billion, which is more than the Conservative Government's first round of cuts. Is that money well spent? I do not think so.

Let us look at the number of jobs created. At the end of March, just before the general election, a National Audit Office report on all the RDAs was published which stated that the RDAs had claimed that, over a five-year period, they had created 413,000 jobs. However, an independent audit of that claim said that the figure was actually 375,000 jobs, and if the jobs that would have been created anyway without the intervention of the RDAs were taken out, it was only 178,000 jobs. The NAO recommended changing the system. I wrote to the chairman of Northwest RDA, Robert Hough, after the NAO report was published asking if he would change the statistics, so that they told us what was really happening. He replied:

"It would be inappropriate to adjust any of the information previously published."

I thought that that was a bizarre reply, even though Robert Hough is a good man, whom I have worked with on many occasions. The cost of those jobs is £60,000 per job, according to the NAO. Those are terrible figures. I say to my hon. Friends: think about it. What matters is that we get money into the right places, not that we have a body that, when it was formed, centralised the grant-giving process away from local authorities.

The NAO report says that the measure of the RDAs' activities is whether there is gross value added because of their work. However, what the report says about GVA is its most devastating aspect. The conclusion in paragraph 16 is worth reading out:

"We are unable to conclude that the regional wealth benefits actually generated were as much as they could and should have been, and are therefore value for money. Weaknesses which, in many cases, undermined the RDAs' ability to make decisions and set priorities to maximise regional economic wealth do not support such a positive conclusion. These weaknesses included poor project economic analysis and appraisal, pervasive optimism bias, and weak evaluation. In particular, most RDAs were unaware, until 2009, of the types of projects which yielded the best and most enduring benefits."

That is a devastating analysis. We in the north-west have experienced those perverse policies, which have not put money into the sectors that are the major players in the region—the sectors that would generate the most jobs and support the economy most effectively. I look forward to analysing this issue and I will be as critical as I can be if money is not put in, but I will not defend the indefensible in the structure of the RDAs.

I accept that a lot of wealth—indeed, the vast majority—will be created by having a more fertile and active private sector. On the other hand, when we look at some of the causes of the current regional imbalances, I do not think that we can get away from looking at the Government's structural and spatial expenditure. Looking at transport in particular—I have spent a long time on the Transport Committee—we see some of the reasons why wealth in the north-west and the other English regions is not as great as it should be. Of all the spending blocks, the money spent on transport in the south-east of England has increased per head of population relative to every other region in the country. One can go over spending under the Labour Government, but that was happening before—this is not a party political point. More money is spent on education and health in London than in other English regions, but the gap in expenditure between London and the other English regions has not been increasing as it has been in the transport sector.

When we look at the detailed projects, we can see why that has happened. The public-private partnership for the tube in London was very expensive. Crossrail, too, is hugely expensive and is certainly of no benefit to the north-west. The costs of those projects add up to in excess of £30 billion-worth of expenditure, yet we are not getting investment in the rail system of the north of England, which has railway schedules that would have embarrassed Gladstone, because trains now travel more slowly between stations in the north of England than they did in the 1880s. That is a measure of the imbalance between the south-east and the other English regions. I know that we will have cuts, but only when we examine the major spending blocks and change them will we make a fundamental difference.

The Treasury, which inspired the Barker and Eddington reports, has come to almost exactly the wrong conclusions in those reports. The Barker report says, "Well, there's a lot of people in the south-east of England, so we'll build a lot more homes there and spend £20 billion on infrastructure," when we need that expenditure in the north-west of England. The Eddington report said, "Well, we've got a transport structure and, effectively, we will invest where the transport system is now." Those are the most reactionary conclusions that one could come to. If this Government or any other want to do something about the original regional imbalances that I talked about, they must adopt positive investment policies that do not carry on subsidising congestion—as the policies advocated in the Barker and Eddington reports do—but instead help the economies of the regions, spread out the jobs and wealth, and improve people's health by doing so. I therefore hope that the Minister will reject a lot of the conclusions in Barker and Eddington.

I will finish with two very small points. First, there are other major projects that have gone to the south-east of England. One of them is the Olympics. I have always thought that the only part of the United Kingdom that should not have the Olympics is London, because one of the benefits of having the Olympics is that the city that holds the games effectively receives an incredible amount of advertising—it can show what it can do as a city. If anything, London is the capital of the world already; it is a great world city. It did not need the Olympics.

There is a little known and little publicised report by a professor in Nottingham, Professor Blake, which explained that the Olympic games in London would cost the regions between £4 billion and £5 billion in economic costs, because money would be dragged into the south-east. Certainly some things will be bought from the regions, such as steel from steelworks in Bolton, which will help, but essentially the net flow will be a cost to the regions of about £4 billion. Furthermore, Professor Blake wrote his report during a time of economic boom. The Minister may not have heard of that report, but I would be grateful if he wrote to me about the update on it.

My final point is in response to my right hon. Friend's comment about city regions. I have long been a strong supporter of city regions. I think that today's boundaries are, in many cases, left over not from 1972 or 1971 but

from mediaeval England. The boundaries of many of our areas need changing. Working together to relate to the real political economy is what having a city region is all about. I just hope that we do not leave the electorate out of the system. It should not be merely a bureaucratic relationship between local authorities. People must still have the right to vote for the people who can influence their transport network.

Once again, I offer my congratulations to my right hon. Friend on securing this important debate.

10.18 am

Esther McVey (Wirral West) (Con): I am delighted to be able to speak in this debate, which has been very constructive so far as people come to it with various ideas and views. It is true that we are all passionate about the north-west, and I know that the Government are too; it is a dynamic and thriving part of the country. It is also a powerhouse not just locally but for the whole country, and it is now viewed as one of the most vibrant parts of Europe.

The right hon. Member for Salford and Eccles (Hazel Blears) talked about manufacturing. The north-west is the UK's second biggest vehicle manufacturing area, it accounts for nearly a quarter of British chemical output, and it is key to the aerospace industry. We have also talked about the creative industries. The media industry in the north-west is growing at twice the speed of that in any other region of Europe, with 31,000 businesses linked to the creative sector. In Liverpool, we have Sony Computer Entertainment Europe and Granada, one of the leading commercial television production and distribution companies. We also now have the introduction of MediaCityUK in Salford. The nuclear industry is worth £3 billion annually, and pharmaceuticals and biomanufacturing are pivotal industries employing 200,000 people. The region is also Britain's biggest financial and professional services centre outside London.

Our area is dynamic and diverse. There is a lot that we can do, but I am concerned about the glue that will keep it all together. The region is diverse not just in what it does but in terrain and geography. How will we keep it together, looking forward to local economic partnerships? What will happen to the regional development agency? Do we need a strategic overview partner, of any size, to ensure that momentum is maintained? We know that the region is doing well, but on the other hand, life expectancy there is lower than in the UK as a whole, weekly earnings are below average and the number of jobseeker's allowance claimants is above average. We have some of the worst unemployment statistics in the country, and more disadvantaged areas than any other region. We have done a lot, but we must continue to do a lot to address the incongruities from which the region suffers. The north-west is strong and united, but we must prioritise it to keep it going forward. My hon. Friend the Member for Warrington South (David Mowat) spoke eloquently about the need for education and skills, and plans for next-generation access.

The north-west is a main contributor to the economy in the field of transport manufacture, highlighting the need for continuing success in the sector. The region also had the lowest average daily motor vehicle use on the roads in 2008. We must keep it that way by increasing access to public transport. We need better rail links, and not only to the south-east and London. I am particularly keen on the development of the trans-Pennine rail link and links across the north-west, which are vital to our growth and could use and capitalise on features such as our super-ports. Infrastructure in our area is key.

More investment is also needed in high-speed broadband and next-generation access, especially in rural areas. In Wirral West, almost 55% of households are considered deprived in terms of access to broadband. That applies to many other areas in the north-west as well. Our Government have pledged to do more to link us all up and get faster broadband access. In Liverpool, a smart grid project is being considered that will bring together the private sector to connect socio-economically deprived areas, assess their energy use and make savings.

The north-west has the potential to be the European leader in renewable energy and the low-carbon industry. We have more sites devoted to creating energy from renewable sources than anywhere else in the UK, which gives us the capacity to generate the second largest amount of energy. We must see whether we can be first.

We have great potential to develop wind and nuclear power as well as continuing to focus on wave power. In Liverpool bay, various private industries are combining to consider next-generation wind turbines. We as a Government also need to consider where we can facilitate private industry and enterprise to gain a terrific return that would regenerate areas, provide work and draw money into the UK economy as a whole. Importantly, over the past few years the north-west has been the most successful UK region outside the south-east in attracting foreign direct investment projects. We have attracted some 511 projects between 2007 and 2010, and the equivalent of 7,000 new jobs have been created in the past year alone through 179 FDI projects.

Greater enterprise brings better job prospects and more employment to the north-west. That is particularly important for the young, as we have the most unemployment and the greatest number of young people not in education, training or work. It is key for young people to know that they have a future and that investment is coming into their area. There is a great drain of youth to the south and south-east, and I for one would like to keep some of those young people in the north-west.

The north-west is responsible for 20% of UK manufacture of chemicals, chemical products and man-made fibres. The sector is growing significantly, and we must ensure that it continues to do so. We need an investment strategy for the area. We cannot work in isolation; we must look outward, not inward. Although we know that we will be moving forward with city regions and local economic partnerships, how will those bodies work together for the greater good of the north-west? We are considering significant investment infrastructure that will cross sub-regional boundaries. How can we work as a whole to raise the region from its current plateau? We are vibrant and doing well, but how can we continue to do well, so that we can be a significant engine of employment and growth for the whole UK?

10.26 am

Andrew Miller (Ellesmere Port and Neston) (Lab): It is important to follow on from the comments of the hon. Member for Wirral West (Esther McVey). The enthusiasm with which she has spoken, endorsing the

[Andrew Miller]

enthusiasm of my right hon. Friend the Member for Salford and Eccles (Hazel Blears), typifies the region. It is successful. We are not on a downward slide to nowhere; we are moving in the right direction. Ensuring that we continue in the right direction is key to what happens next. I do not want to be drawn into the rights, wrongs and merits of the case for the regional development agency; I want to ensure that whatever we do continues the momentum in the right direction.

One vehicle, for example, has been incredibly successful. The hon. Member for Warrington South (David Mowat) appropriately mentioned Daresbury. He will know what an interesting battle Labour Members had inside our own fraternity, with the last Prime Minister but one, about investment in Daresbury. The science community chose to invest Project Diamond elsewhere. One result of that debate was the sensible decision to create the Northwest Science Council, which has acted as a sounding board for some of the best ideas evolving. Some of the issues mentioned by colleagues from various parties owe their genesis to the work done by the science council and its prodding and poking.

Whatever happens within the RDA structure, I would like an equivalent body to bring together high-level scientists from the important clusters represented in the region, in order to ensure that we maintain the momentum necessary to be world class in the fields in which we have high-level skills. I pose that challenge to the Minister. I am not hung up one way or the other on any particular structure, but we must recognise that bringing together the science community has been beneficial. The hon. Member for Warrington South will know that the Daresbury site does not do obscure, blue-sky research—I say this as somebody who used to run an X-ray laboratory a long time ago, when I did a proper job—but is a dynamic and growing science base that reaches into new areas that were never thought of when it was a single-purpose laboratory. The consequence of our battle some years ago has been incredibly positive, and we need to keep that momentum going.

We have also had some interesting successes in other areas. A few years ago, it was presumed that the vehicle industry would continue to shrink; in fact, the opposite has happened. There has been growth in output in the region in not just finished products, but components—from very high end, such as Bentley in the south of the region, through the spectrum of vehicles. The success of General Motors has, of course, been important to my constituents. General Motors was presumed to be sliding into oblivion a while back, and we are now pleased that it does not need the loan guarantee that Lord Mandelson offered it just before the election. The argument between me and the Government has therefore become academic. That is very positive news.

It is now key to consider whether we can get the Ampera into Ellesmere Port—some colleagues saw that vehicle in New Palace Yard a while back—because it is a really exciting, next-generation vehicle that is the right platform to move us forward. The Ampera produces only 40 grams of carbon per kilometre, and is the right step forward. I hope that no one in this Chamber would argue against having the Ampera in Ellesmere Port, so what I want is a commitment from the Government. I am not asking for their money; I am asking for their commitment to working their socks off with us to ensure that no stone is left unturned in guaranteeing that we get that project in Ellesmere Port.

Mr Prisk: That is a very specific question, to which my answer is yes, absolutely. I have met the senior management in the UK and internationally. Ellesmere Port has an outstanding opportunity in this regard, and my ministerial colleagues and I are determined to do everything we possibly can. I am grateful to the hon. Gentleman for his determined advocacy for an extremely important part of this country's industrial base.

Andrew Miller: I am grateful for the Minister's comments. I will open the negotiations on getting good value for money for Government car fleets. The Ampera is a very comfortable car to drive, as one or two hon. Members here have discovered.

Other sectors within our region do not get talked about. We have the premier veterinary school at Liverpool university, part of which is at Leahurst in my constituency. There is a fantastic partnership between the university sector and the private sector, from which there has been a huge amount of investment. We must not forget the importance of that veterinary school in the context of zoonosis and other areas of science that will be increasingly important. That crossover between the public and private sectors is critical to the future of our university structures. We need to consider how we can evolve public sector jobs at the heart of such areas of research, and create the kind of successful spin-outs we have seen in research parks in other university communities across the country and elsewhere. How can we create the equivalent of St John's, Cambridge in and around our north-west university clusters?

Some of our universities are doing particularly well. I began my speech with the subject of the Science Council, which has led to greater collaboration between north-west universities. That has been encouraged by colleagues from all parts of the House. For example, in the other place, Lord Oulton Wade, among others, and I have tried to pull together the universities and get the vice-chancellors to think collectively as a region. That has had an effect, so let us not kill the golden goose.

I shall make one final point, which is not intended to be negative. Will the Minister inform his colleagues in the relevant Departments that practices are going on within the public sector that leave a lot to be desired? Within NHS Wirral, there is a disguised attempt to get rid of numbers, or reduce head-count. That organisation is saying to people, "We don't make redundancies." However, they are doing so. A constituent of mine from Neston was told unequivocally that the service she provides is no longer required. She has 36 years' experience as a nurse—not all in the same employment, but she does have a lot of experience—and we need to maintain such skills. However, instead of offering her a suitable alternative job elsewhere within the NHS that is within a reasonable travel-to-work area, the employer has come up with a clerical job that involves working permanent nights. Given her length of service, my constituent is obviously reasonably mature and, of course, all the case law indicates that that is not a reasonable job offer.

Such disguised attempts to reduce head-count cannot be tolerated, and I hope the Minister will pass that message on. I said in writing to the chief executive of

NHS Wirral that I would raise that matter, because it is an outrage that people with such experience should be treated in such a manner. That is my only negative comment. We have to face the reality of pressures on public sector jobs, but any action that is taken must be taken in a humane and civilised manner, and in conformity with the law of the land.

10.36 am

Stephen Mosley (City of Chester) (Con): As we have heard from all those who have contributed today, we have much to be proud of in the north-west. We are already Europe's 12th largest regional economy and we have a larger economy than many European Union countries. We are home to more than 250,000 businesses and we consistently outperform in attracting inward investment to the UK. We are a world leader in nuclear energy, home to Europe's largest bio-manufacturing region, the largest centre of chemicals production and the No. 1 exporter of pharmaceutical products. We have Europe's second-largest media hub, and the UK's largest financial and professional services centre outside London. We are also the UK's largest aerospace and defence manufacturing region and one of the largest motor manufacturers.

However, the north-west has not been immune to the recent recession. Britain has had the longest and deepest recession on record and the longest recession in the G20, with six consecutive quarters of negative growth. We are seeing the effect of the recession across the region, and we need to ensure that we play our part in securing our nation's future economic and financial success. Our biggest challenge is overcoming the fiscal inheritance of the new coalition Government. Failure to bring the deficit under control will only lead in one direction—higher interest rates and higher taxes. Such a situation will suffocate growth, strangle wealth creation and stifle people's hopes of a better future.

Rosie Cooper (West Lancashire) (Lab): I wonder whether the 1980s and early 1990s passed the hon. Gentleman by? I was not the MP for West Lancashire at that time but, in places such as Skelmersdale, the real unemployment rate was 50%. We are in a difficult worldwide recession and we have lots to do. That goes for all parties. You have your position and we have ours. I believe you are putting families and the needy—

Mr Christopher Chope (in the Chair): Order. That was far too long an intervention. I am not involved in the debate and I am not going to become involved.

Stephen Mosley: The hon. Lady must remember that there was increased employment, growth and general prosperity by 1997, because of the action taken before then.

Taking urgent action is unavoidable and I am delighted that the Government have acted decisively to bring the deficit under control. The Government's swift action has meant that we can be optimistic about the future of our region's economy. There are two important drivers of economic growth in the north-west: first, the Government's national action with respect to the country's economy as a whole; secondly, the action we take locally as Members of Parliament to involve our local councillors and business communities in boosting our local economies.

I represent a constituency on the very edge of the north-west, and we have important economic ties to neighbouring regions, especially north Wales, so for me the idea of a unified north-western economy is rather abstract. For example, few would argue that Chester's economic future is more closely related to the economy of Carlisle than to that of Connah's Quay in north Wales. However, those external relationships have not been fully recognised, and the opportunities offered by our neighbours have not been fully followed up and secured.

The rigid regional attitude might even have proved to be a psychological barrier to growth in areas such as Chester on the edge of the north-west. That is why I am particularly pleased that the Government are replacing the remote Northwest Regional Development Agency with the more local, accountable and relevant local enterprise partnerships. This is not only my view, but the view taken by Cheshire West and Chester council, which, along with Cheshire East and Warrington borough council, has decided to pursue the aim of having a Cheshire and Warrington LEP. A recent statement from the Cheshire and Warrington Enterprise Commission shows that it is not only the elected politicians who support the idea of an LEP. It said:

"A new Local Enterprise Partnership (LEP) in Cheshire & Warrington could transform the local economy, bringing significant benefits for businesses and residents. We should grasp this opportunity with both hands. In the longer term this will enable us to deliver our ambitious growth targets and really put Cheshire & Warrington on the map."

Mr Christopher Chope (in the Chair): I must cut the hon. Gentleman off there, because otherwise we will not have time for the winding-up speeches.

Stephen Mosley: Thank you, Mr Chope.

10.41 am

Roberta Blackman-Woods (City of Durham) (Lab): I congratulate my right hon. Friend the Member for Salford and Eccles (Hazel Blears) on securing the debate. Clearly, no matter is more important for us than how we seek to invest in our region. That is evidenced partly by the passion with which all Members who have contributed to the debate spoke about their region, and partly by the number of Members who have attended.

My right hon. Friend did an excellent job of pointing to the need to keep supporting the development of prosperity in the north-west and attracting inward investment to the area. She was absolutely right to identify key sectors where growth is possible and desirable. She mentioned, in particular, digital media and the need to invest in green jobs and to try to improve advanced manufacturing. I know from personal experience how Manchester and Salford have been transformed in recent years.

All Members are right to be concerned about how that programme of transformation will be continued without an agency such as the RDA, along with its public and private partners, acting as a real champion for the region. Several hon. Friends made interesting points on how RDAs have brought together the public and private sectors. My hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) referred to how the agencies had brought about substantial job creation. Government Members, too, recognised the important role that RDAs had played.

Bill Esterson: Does my hon. Friend agree that one of the lessons that need to be learned from the Government's handling of the abolition of the development agencies is the need to listen to business leaders and leaders in both the private and public sector about what is right for the region, rather than just coming up with their own solutions and imposing them from the centre?

Roberta Blackman-Woods: My hon. Friend makes an excellent point, and I will shortly address how the abolition of the RDAs is being handled. In response to comments made by my hon. Friend the Member for Blackley and Broughton (Graham Stringer), I do not think that we are framing the discussion around the retention of a particular structure, but we have to question whether LEPs will be capable of taking on the roles previously performed by RDAs.

It is also worth asking whether the Government have a democratic mandate for abolishing the RDAs, because the Liberal Democrats stood on a platform of keeping them in areas where they were deemed to be successful. Indeed, the coalition agreement, on page 10, states:

"We will support the creation of Local Enterprise Partnerships—joint local authority-business bodies brought forward by local authorities themselves to promote local economic development—to replace Regional Development Agencies (RDAs). These may take the form of the existing RDAs in areas where they are popular."

However, that does not seem to be happening in practice. We have been told that all the RDAs are going, but no legislation is yet in place for that to happen and we expect a White Paper on the matter to be produced only in the autumn.

The issue is about creating a structure that will deliver regional economic investment and growth. We know that the Northwest Regional Development Agency returns about £5.20 of economic benefit for every £1 spent, and in terms of foreign direct investment the programme delivers £30 for every £1 spent. That is a substantial record that will have to be met by any new structure.

I have several questions for the Minister and would appreciate specific answers to them. How will the economy of the north-west be affected by the removal of current funding streams from the RDA, such as the European regional development fund, and the absence of an effective system for disbursing funds and managing the bidding process? That is particularly important, as we currently need investment in green businesses. The RDAs have been successful in bringing together venture capital funds through European money and money from the private sector to create substantial funds.

How will businesses supported by the RDA cope with the reduction in funding when the £1 billion regional growth fund replaces the RDA budget of £1.5 billion a year over two years? That was an excellent question asked by my right hon. Friend the Member for Salford and Eccles. There are other questions on the advisability of moving key functions from the RDA to the Department for Business, Innovation and Skills, such as responsibility for inward investment and for fostering innovation. Surely there is a need to go the other way and to devolve those functions to local areas and enable them, particularly regions, to set their own priorities.

Several Members referred to the development of a regional skills strategy. That, as the Minister will know, was a function undertaken by RDAs. Without that, how will we know what the skills shortages are at a regional level, how they are to be addressed and what partnerships will need to be developed locally to deliver them? We know that local businesses need to work with education suppliers to increase the number of apprenticeships and to get more employers on board, and we know that universities are critical to the development of regional skills. However, it is necessary to have an overview at regional level, as the hon. Member for Wirral West (Esther McVey) noted in an excellent point. How will universities interact at a regional level without a body to encourage them to do so?

Yvonne Fovargue (Makerfield) (Lab): Does my hon. Friend agree with me that, with the Government office for the north-west also under threat, there are concerns about the partnerships not only with businesses, but with the voluntary sector, which has been so well supported by that body?

Roberta Blackman-Woods: My hon. Friend makes an important point. The key question concerns the partnerships already in place and delivering at the regional level. How is what they are doing to be continued, and developed, by the new structure? We do not know the answer to that question.

The regional bodies are also working to address the number of NEETs—those not in education, employment or training—and to encourage all local education providers to come together and continue improving aspirations. Again, it is simply not clear how LEPs will achieve that.

We suggest that now might be the wrong point at which to get rid of RDAs, when we are not clear how LEPs will take on their functions. The degree to which the Government are centralising the RDA tasks is also not clear. I am not sure that that is a sensible way forward either.

10.50 am

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): I begin by congratulating the right hon. Member for Salford and Eccles (Hazel Blears) not only on securing the debate but on setting a constructive and positive tone on what is a complex issue. I think we all share the view that the north-west is a part of the country with a tremendous future and a great industrial past; the question is, how do we enhance and develop that? The debate has been not only constructive but thoughtful, and I shall do my best in the nine minutes I have to canter through some of the questions, so bear with me.

Like much of the country, the north-west has suffered from the recession, but we are beginning to see early signs of improvement. How do we help to shape and enable a prosperous economy that will be different from what we have known in the past? One of our opening statements was that we as a Government passionately believe in the need to ensure that—

Graham Jones (Hyndburn) (Lab): I am concerned about the context of this debate, which the hon. Member for Wirral West (Esther McVey) touched on. Our region has many disadvantaged communities—in fact, one of the highest proportions in the country. Will the Minister specifically address the disadvantaged areas? His priority tends to be the west of the region, where the nuclear and defence industries are located, rather than the deprived areas. What will he do about those?

Mr Prisk: I am only 60 seconds into my speech, so I shall do my best in the remaining eight minutes to get to the part of the region about which the hon. Gentleman is concerned.

We understand the need to rebalance the economy away from an over-reliance on financial services and one part of the United Kingdom. Therefore, instead of the approach we have seen in the last dozen years or so, we need to support the renewal of the industrial base and to encourage investment and innovation, about which several hon. Members rightly spoke. Some of those sectors have been talked about: advanced manufacturing, which the north-west is well supplied with, such as plastic electronics and robotics; the digital and creative sectors, to which the right hon. Member for Salford and Eccles referred; and, as several hon. Members mentioned, green technology, which needs to be developed.

Hazel Blears: If the green industries are so important, which I believe they are, why are the Government abandoning the green investment bank?

Mr Prisk: The right hon. Lady is wrong. We believe passionately in ensuring that we have an investment bank with financial expertise that can deal with green technologies. We will set that out in our papers on growth and finance, in which we will examine access to credit, which is crucial to small businesses that use conventional technologies, as well to those that use the new technologies. I know the right hon. Lady is keen to get answers, but if she can wait a few more days she will get the answers to her questions.

The north-west is well placed to benefit from our approach, involving long-term investment, a proper fiscal environment and, as several hon. Members have said, a reduction in the burden of regulation on small and medium-sized enterprises. The hon. Member for Ellesmere Port and Neston (Andrew Miller) was absolutely right to highlight the role of Daresbury and of excellent centres of innovation such as Ellesmere Port. I wish the media would look at industry with clearer eyes. They tend to see it as some sort of smoke-stacked centre, but it has moved on a long way, and Ellesmere Port is an excellent example of how we can progress our industrial base.

In the time I have left, I turn to the heart of our debate: the shape of our local and regional economies. As several hon. Members have pointed out, for many years there has been an evident gap between the greater south-east and the rest of the country, which has rightly generated discussion among politicians, economists and business men and women.

Simon Danczuk (Rochdale) (Lab): Will the Minister give way?

Mr Prisk: With respect, I will not give way because the hon. Gentleman has not spoken in the debate and I need to answer the questions asked.

In 1999 the previous Government established the RDAs, which were expressly tasked with a clear goal: to close the north-south gap. Unfortunately, the evidence shows that that has not been achieved. Let me take the north-west as a simple example: between 1990 and 1999, when the RDAs were established, annual growth in the north-west averaged 1.7%, but in the greater south-east it was 2.3%, a gap of 0.6%. Between 2000 and 2008—the latest period for which figures are available—growth averaged 1.5% in the north-west and 2.1% in the greater south-east; again, a gap of 0.6%. Despite spending £3.7 billion over the past decade, the North west RDA failed to make a difference in closing the gap between its economy and that of the greater south-east.

Understandably, hon. Members may well talk about individual projects that they feel have merit, but we have to look at the overall impact over a decade.

Simon Danczuk *rose—*

Mr Prisk: I give way to the hon. Gentleman.

Simon Danczuk: On Friday I visited Kingsway business park in my Rochdale constituency. It is one of the largest business parks in the region, if not the country, and a good thing about it is that it is creating jobs—many businesses are starting to locate there. One of the attractions is that businesses receive a relocation grant of about 20% of their costs, which has attracted businesses from all over the country. However, this week we were told that that grant would no longer apply. Why is that? What effect will that have on job creation not just in Rochdale but in the north-west as a whole?

Mr Prisk: That is a long intervention, which is a shame because it has prevented me from tackling the broader question. The individual case cited by the hon. Gentleman is a classic example of the danger of the debate: we can all find an individual project that might have merit. The question is whether the gap has closed in 11 years, after spending £3.7 billion. The answer, sadly, is no, which is why we need change.

In answer to questions from those Members who spoke in the debate, I shall set out the key changes that we want to achieve. We need to forge effective partnerships between local business and civic leaders in our communities—and yes, that will mean formal, legal entities. We want greater democratic accountability in what will be vital forums in deciding local economic priorities. The partnerships must be equal between business and civic leaders, because that will help them better understand the needs of local people. In response to the question about universities, I see universities, too, as having an important role in those partnerships.

As several Members said, local economic development needs to be based on real economic areas. Sadly, the boundaries of many RDAs often relate more to the administrative priorities of Whitehall or Brussels than to the actual needs of local areas. I very much welcome what the right hon. Member for Salford and Eccles said about city regions and the various benefits and challenges. Clearly, they are not relevant in every part of England; nevertheless, they are an important dynamic to understand. We must ensure that the boundaries of the economic area that the partnership is seeking to enhance relate to the real economy of today. We need to reform the system by replacing RDAs if we are genuinely to strengthen the local economies of this and other areas.

Our objective is simple: to encourage strong local leadership and to promote economic growth, based on institutions that match the economic reality on the ground and that have the freedom, and therefore the diversity capability, to make a real impact.

[Mr Prisk]

I also welcome what the right hon. Member for Salford and Eccles said about the pilots. I am not familiar with the details that she gave, but I would be happy to have a look at them. Total Place has considerable merit as an approach to examining some of the underlying questions.

Graham Jones: Will the Minister give way?

Mr Prisk: I will not because I have less than a minute left.

In drawing my thoughts to a brief conclusion, I apologise to hon. Members for having been unable to address all their questions. In my book, the north-west is an area with a genuine can-do spirit, as my hon. Friend the Member for Wirral West (Esther McVey) and others mentioned. We in government must therefore understand and enable that, rather than directing and tinkering. We need to ensure that businesses can prosper and grow, which means, yes, creating a new economic landscape. For a few weeks, the level of clarity and certainty might not be perfect, but we will set out our further plans over the coming weeks, and we look forward to dealing with the various requests appropriately and thoroughly.

Coastal Towns (Government Policy)

11 am

Mark Simmonds (Boston and Skegness) (Con): I am pleased to see you in the Chair this morning, Mr Chope. I am delighted to have secured this debate, which I hope will give the many Members with an interest in the subject an opportunity to highlight the numerous challenges that coastal towns and resorts face and the opportunities in which they want to take part.

It needs to be recognised that work on coastal towns was done during the previous Parliament, particularly by the Coastal Communities Alliance led by Lincolnshire county council, and by the Communities and Local Government Committee, which was chaired by Dr Phyllis Starkey. I am sure that the hon. Member for Blackpool South (Mr Marsden), who has just taken his place, will recall that the previous Government's initial response to the excellent Select Committee report was hopeless and that they had to come back with another response. Also, the academic research of Professor Steven Fothergill of Sheffield Hallam university, particularly his benchmarking study, has informed much of the debate on coastal towns.

During that period, several hon. Members, some of whom are here this morning, some of whom are not, took a particular interest in the issues that affect coastal towns. There is no doubt that there was a general feeling in many coastal towns, particularly in England and Wales, that the previous Government sidelined them and did not give them their fair share of resources or put them at the forefront of policy thinking and policy making.

I am proud to have in my constituency Skegness, which is one of the country's most famous seaside resorts. Members may not be surprised to hear that, according to Saga, it is the number one place in the UK to retire to. It is still a popular family tourist destination, with 600,000 visitors each summer and 26,000 caravans on the east Lincolnshire coast. I am pleased to report that, unlike some other historic coastal towns, Skegness is still a thriving success. It achieves that by continuing to attract visitors, from the UK in particular, but also by its private and public sectors working together, with excellent locally led innovation and entrepreneurial flair making a significant contribution.

Skegness is not alone. Most of Britain's coastal towns have many positive features, including attractive scenery, excellent leisure activities and some significant Victorian and Edwardian buildings, but they are also significant and important economic bases. The population of our coastal towns is approximately 3.1 million, which is more than the total population of Wales. Members may be aware of the recent report produced by Professor Fothergill's team, which concluded that 210,000 people are employed in tourism alone in coastal towns—more than are employed in the UK in the pharmaceutical or motor industries, or in radio and television combined. Economic activity in coastal towns contributes £3.4 billion to the UK economy. It is clear that such towns are assets, not liabilities, and need to be treated as such.

I am delighted to see Members here from all corners of the UK, but it is important to remember that, despite there being commonalities among coastal towns, each one is different, and each faces its own unique set of

challenges. I am sure that other hon. Members will wish to highlight some of those that pertain to their constituencies.

It is important to set out some of the key challenges that are common to most coastal towns. The first is that they have severe pockets of socio-economic deprivation. Twenty-one of the 88 most deprived authorities are in coastal areas. There are high levels of benefit dependency: 15.2% of the working-age population in coastal towns claim benefits, compared with 12.6% across the rest of the UK. The average incapacity claimant rate in seaside towns is well ahead of the English average. There is poor housing stock in many of our coastal towns, with 50% described as "non-decent" compared with approximately 30% elsewhere.

Coastal towns face significant environmental challenges such as rising sea levels, storm surges and eroding coastlines. There are low levels of employment: the average unemployment rate is significantly higher in coastal towns than it is elsewhere. Those complex and interrelated issues need to be addressed in a co-ordinated and comprehensive way.

Bill Esterson (Sefton Central) (Lab): I am grateful to the hon. Gentleman for giving way and for securing this debate. My constituency includes Formby and parts of Crosby and Hightown, which are coastal towns. Among other things, the Sefton coastline is characterised by its 20 miles of sand dunes. He mentioned the environment, which is an important issue to my constituency and to that of my neighbour, the hon. Member for Southport (Dr Pugh), who is also here today. Does the hon. Member for Boston and Skegness (Mark Simmonds) agree that it is vital to continue investment in, support for and investigation of adequate sea defences for coastal towns?

Mark Simmonds: I thank the hon. Gentleman for that critical intervention. He is right to highlight the importance of maintaining coastal and flood defences not just in his constituency but throughout the whole of the UK. I cannot give him the assurance that he is looking for, but I am certain that he and other hon. Members on both sides of the House will lobby vociferously to ensure that coastal defences are maintained. There is a big question about the efficiency and effectiveness of the Environment Agency, which sometimes hinders local schemes and solutions to such problems, and that needs to be looked at carefully.

In the short time since the coalition came to power, it has had a positive impact. Some of the policies that have been put in place and changes that have already been made will have a positive impact on coastal towns. For example, reducing the threshold for national insurance contributions and, as outlined in the Budget, reducing corporation tax, particularly for small companies, will have a particular resonance in many coastal towns, and the promised help for Britain's tourism industry through reinstating favourable tax rules for furnished holiday lettings will avoid a significant detrimental impact.

Most significant of all are the coalition's proposals to scrap regional strategies and regional development agencies and to devolve decision making and power to local authority level, thereby allowing decisions to be made at that level—in effect, returning decision making and power to coastal local authorities rather than distant RDAs and other quangos that did not really understand the importance of coastal towns and the complex issues involved. I very much hope that that will not be seen as a role for the public sector only, but that the private, voluntary, charitable and social enterprise sectors, which I believe have a significant role to play, will be stimulated.

One of the key messages that I want to get across this morning to the Minister is that although many coastal towns recognise that they must play their part in sharing the burden of reducing expenditure that will inevitably come from the Government's difficult decisions, they must not take an unfair share of the burden. We all accept that there will be tough spending settlements for local authorities, Government Departments and Executive agencies, but we need to ensure that they do not have a disproportionate, negative impact on many of our coastal towns.

Mr Graham Stuart (Beverley and Holderness) (Con): When large Departments have to make cuts fairly deeply and relatively quickly, the tendency is to cut out all the smaller centres of service provision and concentrate on the larger centres. That works against rural communities and coastal towns. Does my hon. Friend agree that, although we recognise the severity of the situation and the need for speed, Ministers need to give local people the opportunity to deliver the savings and find a way of doing so that does not denude coastal towns and rural areas of the services on which they depend?

Mark Simmonds: My hon. Friend makes a powerful, important point. I understand that the Government direction of policy is to do exactly what he requests, in that decisions should be devolved down to the lowest possible level and those who really understand the needs of each community. One significant fault of the previous Government was that they regarded centralised decision making as the solution to many of these problems and they lacked understanding of the needs of and changes in specific local communities and how to reflect those.

I should like to trot through five specific areas that I think that the coalition needs to focus on if we are to improve the lives of those who live and work in and visit our coastal communities. First, on economic diversification, we need to find ways of putting the economic heart back in our coastal towns. Only a few years ago, coastal towns were not only people's holiday location of choice, but the gateway to the empire, with goods leaving and coming into the country from many ports; but far too often, that economic dynamism has gone. Too many of our coastal towns are now magnets for the long-term unemployed, those on benefits and people with long-term medical conditions. More must be done to diversify the economic base of our coastal towns.

Understanding the macro-economic constraints, we need to put in place medium to long-term strategies to encourage business to locate and create employment in our coastal towns, creating economic diversification. An obvious example of that would be the establishment of green technology companies, particularly those connected to green energy generation. My hon. Friend the Member for Waveney (Peter Aldous) is particularly passionate about that work in his constituency.

The second area is funding formulae, which were the subject of significant debate in the previous Parliament. The independent National Audit Office should be tasked

[Mark Simmonds]

with examining the funding formulae to ensure that coastal towns and regions receive their fair share, albeit that perhaps it will diminish, of resources for public services. The formulae should reflect the visitor numbers to particular areas. I found the starkest example of that problem in Blackpool, where the vast majority of some 18,000 people a year who visit its walk-in health centre do not come from that town, yet Blackpool primary care trust, which is responsible for the centre, currently receives no extra money. There are similar problems in Skegness and elsewhere. There is a double whammy in funding for coastal towns because of the elderly and vulnerable population and the large number of visitors.

Thirdly, there are high levels of benefit dependency in coastal towns—significantly higher than in other areas. The Government are planning some innovative work on benefit culture that will incentivise people to come off benefits and get back into work, and ensure that work pays and that people are not better off on benefits. The Government may like to consider piloting some of these schemes in our coastal towns.

Fourthly, many coastal towns are blighted by poor-quality housing stock and many have high levels of houses in multiple occupation. Local authorities must retain the flexibility to deal with HMOs and prevent their development in localities where they are not wanted or where there is already over-supply.

Fifthly, many coastal towns' public services are overstretched as a result of their demographics, limited catchment areas and poor transport infrastructure. If I could ask the coalition to focus on one area, it would be improving public health in coastal towns, where there are higher rates of alcohol abuse, smoking and teenage pregnancy. There are 74.8 conceptions per 1,000 girls between 15 and 17 in Blackpool, compared with the national average of 42.6. I accept that that is an historical statistic, but it still makes the point.

I urge the Government to work alongside not just the traditional local authorities with responsibility for health, but the broader charitable and voluntary sector, which has a significant role to play. I am sure that all hon. Members agree that in all coastal towns there are a significant sense of community and people who want to make a difference. There is a direct correlation between poor public health and high rates of people on incapacity benefit further down the line.

I should like the Minister to make a commitment. The previous Government set up a cross-departmental working group to pull Departments together on all the various aspects of that issue. I want to ensure that that working group continues and that it will focus particularly on coastal towns. Although that might sound administrative and bureaucratic, there is no doubt that cross-departmental working can lead to achievements. Perhaps the best example of that is the Office of Life Sciences, which has made a significant contribution to promoting the interests of the British pharmaceutical sector.

Many other hon. Members wish to speak, so I will draw my remarks to a close. There are many significant issues relating to coastal towns that I have not had time to mention, including communities running facilities; raising educational aspiration and achievement; the performance of the Environment Agency and flood defences; the importance of the public realm in attracting people to coastal towns; and support for the elderly, who are attracted to retiring to the coast. Too often under the previous Government coastal towns were ignored and marginalised, despite one or two Labour Members fighting to change that perception. I hope that the coalition will not make the same mistake. Coastal towns have a significant contribution to make. They need to be reinvigorated and focused on by central and local government.

11.17 am

Brandon Lewis (Great Yarmouth) (Con): I commend my hon. Friend the Member for Boston and Skegness (Mark Simmonds) on securing this important debate.

I shall focus primarily on inter-departmental working, which my hon. Friend mentioned, because it is so important that we have joined-up thinking on coastal towns. If hon. Members will indulge me, I will deal with this matter mainly with reference to my constituency of Great Yarmouth, as others can speak for their own.

Great Yarmouth highlights exactly why coastal towns are so important, how diverse they are and why it is vital to tie together essential improvements in infrastructure—both transport and communications—and recognition of the tourism industry and the niche industries that some of our constituencies deal with. Companies in my constituency supply the defence industry and have dealings with the oil and gas industries. Obviously, being so close to what was the largest offshore wind farm in Europe, some of them are involved with renewable energy, with new wind farms to come. My constituency also suffers from coastal erosion, as do other hon. Members' constituencies.

To see real economic growth we need improvements in transport infrastructure—both road and rail—and in broadband, so that companies looking to take advantage of niche industries can communicate. Broadband is an important tool.

As has already been mentioned, tourism is often undervalued, yet it is one of the most cost-effective industries, through which employment can be increased in constituencies such as Great Yarmouth. More than 5,000 people in Great Yarmouth are employed in the tourism industry, which is worth about £500 million to the economy. Given that my constituency is the second largest seaside resort in the country, we feel that we play our part in the economy. We cover the whole remit: from straight tourism and seaside tourism, to the Norfolk broads and stately homes—something we share with my hon. Friend the Member for Waveney (Peter Aldous). We also cover bingo and gambling, including horse racing and dog track racing.

We have offshore oil and gas, and there are renewables to come, but we suffer, as I said, from a huge amount of coastal erosion. A clear, transparent policy on coastal erosion is needed. None of us here and none of the residents in our constituencies genuinely believe that we can protect every inch of coastline: neither the economy nor nature allows for that. There is certainly a need for transparency and clarity about what we can do, and a need to ensure that the money the Department for Environment, Food and Rural Affairs and other Departments can put into dealing with coastal erosion is spent on protecting the coastline. A rough estimate is that during the past four or five years, the previous

Government's pathfinder and other schemes spent almost £500,000 on reports on Great Yarmouth, which often led to other reports with not a single bit of work being done to protect the coastline.

Scratby, which my hon. Friend the Member for Boston and Skegness has seen, is a key area that needs work to protect its coastline. Most of the necessary coastal erosion protection could have been finished with the money that went into more and more reports. The previous Government spent £200,000 in areas such as Great Yarmouth just before the election, coincidentally—I am sure that it was not intended to be an election tool. At the same time, they were penalising such areas—Great Yarmouth has a new deep water outer-harbour that can service our country—with a port tax. We must get away from that mixed-up thinking. We must send a clear message and be honest about what we can do to protect out coastline from erosion.

I will not speak for long because I know that other hon. Members wish to contribute. I have highlighted why cross-departmental work is so important. The Department for Communities and Local Government is important in allowing local authorities to look after residents by removing the regional spatial strategy, and by allowing council tax and business rates sometimes to move back to local authorities to allow those authorities to move forward. The Department for Culture, Media and Sport covers tourism and gambling, which are important for areas such as Great Yarmouth. DEFRA is important in dealing with coastal erosion, as is the Department for Transport for transport links, and DCMS for broadband. The Department of Health is also important in the context of the cost to our health service and our economy as a whole of the levels of alcohol consumption often associated with visitors to such constituencies.

All those Departments have a vital part to play in constituencies such as Great Yarmouth and coastal constituencies throughout the country. The most important request that I can make to the Minister today is for cross-departmental work at official and ministerial level to ensure that our coastal towns, which can provide so much in moving our economy forward, developing new renewable energy industries and developing our tourism industry even further, can work together to achieve that growth for our own communities and the wider country.

11.22 am

Laura Sandys (South Thanet) (Con): I thank my hon. Friend the Member for Boston and Skegness (Mark Simmonds) for introducing this subject and for being a strong champion of coastal towns and the issues and challenges facing them. As many hon. Members have said, coastal towns have different and unique characteristics, and it is important to examine and address them in policy terms. South Thanet is one of the most beautiful parts of the country—I am sure that other hon. Members will claim that for their constituencies—but it is the 64th poorest district in the country, which is not exactly the usual profile of the south-east. We have the highest number of looked-after children in the south-east. Two wards have more than 80% of privately rented properties and most tenants are housing benefit recipients, and 39% of our economy is in the public sector. Some 15% of the private sector probably supports that public sector investment. That is a precarious economic model looking into the future.

During the past 13 years, despite many years of a booming economy, Thanet has not benefited proportionately to the rest of the south-east. In some areas, deprivation has significantly increased. With the difficulties that we face, we cannot build on, or support ourselves through, the previous economic successes of the past 10 years. The economic profile inland is totally and radically different, which I know is the same for many of my colleagues with seaside constituencies. Canterbury has a significantly different economic and social make-up from Thanet, Dover or Hastings and Rye.

During the past 13 years the previous Government pumped millions of pounds into my area. That was well-intentioned, but the result was an increase in deprivation. There were top-down assessments of what was needed, little or no involvement of the community, and outreach workers who had no knowledge of the area; and an increasing number of projects focused on deprivation attracted more deprivation to our area.

Bill Esterson: As a man of Kent, I am familiar with Thanet and the problems in Ramsgate that the hon. Lady described well. I understand her point, but cutting money is not the way to deal with the problem. Other hon. Members have called for cross-departmental co-operation, but pulling the plug disproportionately—that is what is on the table at the moment—will not solve the problem. I agree that money could be better spent and that lessons could be learned from the past, but I hope the hon. Lady agrees that we need continued investment, not cuts at a time when the private sector—

Mr Christopher Chope (in the Chair): Order. I must cut the hon. Gentleman off.

Laura Sandys: I understand the hon. Gentleman's point, but in many ways the money that was invested in our area was an incentive for deprivation, not aspiration. We need a different approach.

Mr Graham Stuart: Another aspect of the previous Government's endless expenditure of money with little delivery for coastal towns was regeneration partnerships, which lasted for a short period and then came to an end. There was never any follow-through. Coastal towns need a consistent policy framework and consistent work to develop their economic potential. What they do not need is short-run, small projects that capture a headline, or eye-catching initiatives that do not deliver on the ground. That is what happened too often.

Laura Sandys: I absolutely agree. We had many short-term projects. My area of Kent ended up as a centre of excellence for deprivation, which was a result of money being deployed from the centre with little community involvement. I am talking not about less funding but funding that incentivises new businesses and builds a stronger economy, with a sense of future and aspiration.

We have become a magnet for vulnerable people. I was talking to a young couple who had been sent to Thanet from Rochester to ensure that they received all the services they needed, having kicked their drug habit. They looked to Thanet to provide them with rehabilitation and services such as mental health support. Many parts of the south-east, such as London and Kent, use some

[Laura Sandys]

of our seaside towns to receive people with such issues. It is important to address those issues, but they should be addressed by the local authority in question. We cannot be a centre of rehabilitation services for the whole of the south-east.

My message is clear and important. Our NHS trust and our GPs are there to support our own community. We are there to support others when we can, but we must not have incentives or investment that further attract people, when we have ever-less capacity to ensure that we can support them into the economy with the necessary jobs.

We also have a problem with looked-after children from out of the area that has not been addressed in the past 13 years. Charities have been clear about the impact on those children, who come from as far away as Birmingham, Hounslow and Richmond, which may be two and a half to three hours away from where they are located, in Margate, Ramsgate or Broadstairs. That is not good for children and it is not right for them to be brought up in such places, away from their extended families. I am pleased that my hon. Friend the Under-Secretary of State for Education has made a clear commitment that he will enforce the guidance that looked-after children should not, except in extreme circumstances, be located more than 20 miles from their original local authority.

I am pleased that we are looking at the issue of housing benefit, because in my area, if someone owns a house in multiple occupation, they can receive a return of between 11% and 14% on their investment due to the low property prices. An equivalent HMO in Westminster—I do not know how many there are—would make a return of between 5% and 7%. We cannot have a system where the returns in coastal towns are so high that those places become a magnet for HMOs and landlords who are attracted to the cheap property prices.

I will add a word of caution. If housing benefit is to be universally reduced, we must take care to ensure that seaside towns with their low property prices and cheaper living costs do not once again become a magnet for those on benefits who come from outside the area.

Ian Swales (Redcar) (LD): I am from Redcar, and on Thursday there is a planning hearing about having HMOs—which will involve secure accommodation for people on bail, remand and so on—in the heart of our resort. There will be massive financial returns for the people involved, but my concern is about the planning and the fact that even though local residents and the local authority would prefer not to have those hostels built in that place, they have little power to do anything about it because of the planning laws put in place by the previous Government.

Laura Sandys: The Minister for Housing recently announced that we are to give local authorities the opportunity for targeted selective licensing. I will urge my council—as I am sure other hon. Members will urge theirs—to ensure that HMOs undergo a severe and rigorous licensing process so that we start to create a deterrent, and so that seaside towns do not become a dumping ground for many different social problems.

Mr Graham Stuart: May I chide my hon. Friend a little? One of the great—and rarely remarked on—legacies of the last Labour Government was that they built so few houses. There was a tremendous increase in housing need and vast increases in council waiting lists. I would hate to see councils remove the one possibility for people to have a home and roof over their head because of the popularity of the local area. That is a result of the failure of the last Government and we must address the issue at its root. We must not ruin things before we do that.

Laura Sandys: My concern is specifically with housing stock. My constituency has enough housing, but it is in an incredibly bad state and there are a lot of empty properties that need to be brought back into the housing stock. One would not want to keep a dog in some of the flats I have been into. The neglect and lack of responsibility that some—not all—landlords have shown towards their tenants is not acceptable. More houses need to be built, but I would like to see a lot of empty houses brought back into the housing stock in a safe and adequate condition.

On the upside, there are great opportunities. As my hon. Friend the Member for Boston and Skegness has discussed during this debate and at many conferences, tourism is one of the most effective ways of stimulating small businesses and ensuring a greater number of start-ups, and not just specifically tourist-sector businesses. Tourism brings in foreign currency, spurs new businesses in associated companies and supports our high streets. It offers our less-skilled work force more jobs. Therefore, we must ensure that the domestic tourism agenda and the small business sector are seen as important drivers of the recovery that we badly need in our coastal towns.

I am delighted that following a parliamentary question, the Minister of State, Department for Business, Innovation and Skills, my hon. Friend the Member for Hertford and Stortford (Mr Prisk)—he was in the Chamber recently—has agreed to meet a delegation of MPs and to focus on how we can boost the tourism sector. We need a clear set of policies to accommodate the vulnerabilities of our seaside towns. I believe that the coalition Government will put those policies in place and ensure that that we are not left, yet again, at the end of the line.

Mr Christopher Chope (in the Chair): Before I call the next speaker, if we are to fit in everybody who wishes to speak, contributions need not be longer than five minutes—perhaps less.

11.35 am

Paul Maynard (Blackpool North and Cleveleys) (Con): It is a pleasure to sit under your chairmanship, Mr Chope, and having heard your instruction, I shall be very brief indeed.

Rather than list all the possible ills of public health and social deprivation found in my constituency, I shall focus on two topics—both thematic—in what I hope will be the first of my many contributions on this subject. I shall make a comparison between the coastal towns represented by hon. Members in the Chamber today and the experience in the rust belt of America—those aging industrial towns in the mid-west that, after their

primary industries declined sharply in the middle of the century, had to go through a reinvention, a renaissance, almost a renovation.

A report was produced by the Brookings Institution, which is a centre-left think-tank. I do not always read centre-left think-tank publications, but on this occasion I thought it was worth while. The report, "Restoring prosperity", it is worth reading in full. When I read it, I see my constituency and, I suspect, those of other hon. Members. That report states:

> "Suffice it to say that each forgotten city has been accused of being the regional or even national 'capital' of one social ill or another. Such stories have a profound and harmful impact on the city's collective mindset because they shape how local people see themselves. According to...a professor of American Studies at Youngstown State University, residents of highly stigmatised cities have 'come to expect failure.' This is a vicious cycle because as individual and collective expectations about the city consistently diminish, citizens become less hopeful and less likely to engage in civic affairs, thus decreasing civic capacity and governing capacity. They are also less likely to demand adequate city services and less likely to question other forms of dysfunction. Many people lose the recognition that things can change, that they could effect change—even those who work in local government".

That is a bleak portrait of the situation in which we find ourselves, but I recognise elements of that description in my town of Blackpool. I do not say that with any pleasure.

For many years, people in Blackpool have suffered blow after blow after blow, not least the decision on the casino, which seemed to symbolise the fact that the Government had turned their backs on the town. I returned from Wembley a few weeks ago on a chartered train that the football club had hired for us. It was a six-hour trip with no air conditioning; the carriage was boiling hot, but full of happy people who, for the first time in a good few years, were displaying what I would call civic pride. Their team had got into the premiership and at last something good had happened to their town. That had not happened because of something that the state, the Government or the council had done. It was part of something that the community had done and because of a football club that enjoyed terrific community support. There were more people going to Wembley than could be crammed into the Bloomfield road stadium. People attended from across the Fylde coast.

In the two minutes I have left, I shall not focus on what the Government could or should do, although I welcome having a dedicated Minister responsible for tourism, as well as the fact that the threat to furnished holiday lets has been diminished and the way in which public health is to be promoted through the council and social care functions are to be brought together through changes to the PCT and the council. Although the report by Professor Fothergill, to which my hon. Friend the Member for Boston and Skegness (Mark Simmonds) referred and which highlighted the importance of employment in seaside tourism, was a very important statistical document, it was not a toolbox, which is what we now need. We need a range of policies from which local communities can choose what is best for themselves. We perhaps need less central Government prescription and less stigmatisation. It is important to have these debates, but each time that we have one, it almost underlines the fact that coastal towns are seen as a problem. I almost start to tear my hair out at that.

Reading the Sunday papers, my heart sank when I read the comments of Janet Street-Porter, a lady for whom I generally have a lot of time. She is a very well qualified architect—not many people know that—and her views on 20th-century architecture in particular are fascinating and spot-on. However, when she heard that Blackpool was to apply for world heritage status, a bit of metropolitan sophistication seemed to come across her and her eyebrows raised somewhat. She described it as "bonkers". She stigmatised the town yet again and said that when she next visited, she would bring a picnic. I shall say one thing to her: when she does bring her picnic up to Blackpool, could she please get in touch with me? I would happily take her round Blackpool and show her many nice places where she can have a picnic, many nice places where she can eat, and many nice places—including one in the constituency of the hon. Member for Blackpool South (Mr Marsden), which has the nicest bed and breakfast in the country, in my view—where she can happily stay.

All Members of Parliament, when we talk about our seaside towns in this Chamber, need to focus not just on the negative things where we come top—I am talking about bad social consequences, social ills, deprivation and so on—but on the good things that happen. That is why it is good that in a debate on coastal towns, I can talk about the great opportunities that Blackpool will have in the next year in the premiership. Let us focus on the good things that happen in our seaside towns, not just on the negatives. I hope what when we next debate seaside towns, I can report back on Janet Street-Porter's visit. Given that I have a few minutes less than I had hoped for, I shall leave it there.

11.42 am

Dr John Pugh (Southport) (LD): I congratulate the hon. Member for Boston and Skegness (Mark Simmonds) on starting this important debate. One of the more useful things that I did in the previous Parliament was persuade the unwilling Chairman of the Select Committee on Communities and Local Government to do a report on coastal towns. I guess we could describe it as a relatively seminal report in so far as it provoked a number of other measures. We discovered, as hon. Members have already exhibited, that not all seaside towns are the same, but there is a family of problems that most of them appear to have.

One of the problems is transport. Most of the towns evolved in the age of the train; often, they have now lost the train and badly need a road now. There is a lack of quality employment, or a lack of the right mix of employment, and in many seaside towns wage levels are surprisingly low. There are the housing problems to which hon. Members have alluded, particularly in connection with HMOs. The hon. Member for South Thanet (Laura Sandys) might be aware that housing legislation on HMOs has been tightened up quite recently, but councils often lack the resources to administer and police such measures. There are issues that I think will affect the constituency of my hon. Friend the Member for St Austell and Newquay (Stephen Gilbert) with regard to licensing, nightlife and precisely what that does to a resort's family environment.

In many resorts, there is clearly a severe demographic imbalance. I remember that one of the more disturbing aspects of our Select Committee inquiry was the discussions

[Dr John Pugh]

that we had with youngsters, some of whom I think lived in Kent. They were talking about leaving their resort and took that as axiomatic—when they got employment in the future, they would not work locally.

Of course, there is also the problem of coastal erosion, although coastal erosion is a mixed bag. The hon. Member for Sefton Central (Bill Esterson), who spoke recently about the loss of his coast, might be aware that almost on the same night that the material was lost from his coast, it appeared on mine. If any hon. Members are short of a bit of beach, please come to Southport and we might be able to help you out.

We found that lacking in many seaside resorts—this was a general conclusion—was a clear vision of where they were going and the political will to deliver on that. People ought not to underestimate the difficulties of managing change in seaside resorts with a largely elderly population. However, in the inquiry we did find many instances of genuine success and successful regeneration. I remember visiting Whitstable, where the regeneration seemed to be almost entirely based on fish, but as it is extraordinarily tasty and the restaurants are good, that seemed to be a very successful model. As I am sure many hon. Members know, Southport has become a classic resort. Other resorts were not quite certain of the direction in which they were going—an example of that was Margate: one lobby in the town wanted the old seaside environment to be recovered and restored, whereas another looked towards cultural developments associated with the artist Turner and more highbrow appeal.

Complementary to the report, and something that made an important difference to people's thinking, was the BBC programme "Coast". It started as an Open university, rather anoraky sort of thing, but it ended up being phenomenally successful and opened the eyes of many people to what the English coast offers.

Despite what we have heard today, the upshot all that activity was relatively positive. The Government, having first ignored the Select Committee report, came back a second time when asked to do so by a persistent Chairman and put some money on the table. I am referring to the Sea Change money, which I think amounted to a pot of £60 million. There was much activity in and around this place; there were many conferences; the relevant all-party groups sprang to life and there was much talk about the regeneration of the seaside. Then, come the election, there was even more activity. A lot of political attention is always paid to coastal towns, because for some peculiar reason, they end up being political battlegrounds. In fact, quite a few coastal towns—happily not my own—changed hands at the last election; I am thinking of Eastbourne, Hastings and others. Post-election, however, surely we have everything to gain by acting collectively over the next five years, because—strangely enough, in these dark and recession-ridden times—there is a great deal of hope around.

We are experiencing a genuine increase in inbound tourism in this country. It is a no-brainer for the Treasury that if it encourages inbound tourism, that is a win—a plausible win—in terms of the balance of payments and taxation. That is not a vain hope, because the Sheffield Hallam study, which the hon. Member for Boston and Skegness referred to, showed that in many places there is considerable scope for regeneration and genuine economic progress.

There are genuine concerns as well, though. One of the big problems for coastal towns, emphasised in the Conservative paper, "No longer the end of the line", is transport. That is a big issue for many places—Southport, Hastings and all sorts of places. Looking at what is happening to the national budget at the moment, very few of us can be optimistic that the bypass that was always going to be built will appear soon. Also, there is the loss of the regional development agencies and the construction of the embryonic local enterprise partnerships. Those may be dominated by urban interests, and funding that might be regarded as coming our way might go elsewhere. I would welcome the Minister's view on what will happen with the Sea Change money.

Before the election, all parties promised much. The Conservative pamphlet, "No longer the end of the line", promised lottery funding for private piers. I think that we have to recognise that that probably will not happen, but the Conservatives did emphasise a new approach to local transport, which I think in constrained times we might want to consider. They also promised, or talked about, business rate discounts, which are certainly worthy of investigation.

The key test will be how the Government manage the reduced funds and, in particular, what happens to the Sea Change money. Those of us in a seaside community, if I can describe us in those terms, do not want to go back to square one, but at the moment it is not particularly clear what the next steps will be. The debate initiated today by the hon. Member for Boston and Skegness has done an enormously good job in focusing the Government on the fact that there needs to be a plan for the next steps. We need a degree of strategic thinking. That has gradually evolved and, in the future, it needs to be built on.

11.49 am

Mr Graham Stuart (Beverley and Holderness) (Con): It is a pleasure to take part in the debate. I congratulate my hon. Friend the Member for Boston and Skegness (Mark Simmonds) on doing so much to highlight the needs and interests of coastal towns by producing the report "No longer the end of the line" and through his efforts today. Not only is he handsome and charismatic—he particularly liked that phrase when I asked him what I could say about him—but he has made a fine speech and he does a fine job on behalf of coastal towns.

Rather like my rugged friend, coastal towns sometimes fail to recognise all their qualities, but they are in fact tremendous, positive centres. To pick up on the point raised by my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard), we really need to celebrate coastal towns and what they do. As my hon. Friend the Member for Boston and Skegness said, they employ many people and they are great centres. Although there are issues about houses in multiple occupation and other aspects of housing, coastal towns often provide relatively low-cost housing, and they have acted as havens that people can live in and enjoy, albeit that that was the result of the previous Government's failure to build houses elsewhere.

Overall, coastal towns are tremendous places to live, and the people who live in them love them. Sometimes they get a bit down, because coastal towns can be a bit inward looking; they can slag themselves off and see themselves as not being tremendously interesting or dynamic, and young people often look to leave. However, it is easy for people in coastal towns to underestimate the strength of what is on offer and their economic future, and I agree with what other hon. Members have said in that respect.

Given the state of the public finances that we have inherited from the previous Government, it will fall more than ever to local people—town councillors, county councillors and entrepreneurs—to step up to the mark. The Government are constrained in what they can do to promote coastal towns, and they need, most importantly, to get out of the way of entrepreneurs who want to make money and to build businesses, profits and employment. The incoming coalition Government have therefore done a number of things significantly to boost coastal towns, as has been said.

I want, however, to focus on an essential component of a successful seaside town economy—the amusement arcade. Colleagues smile, which I am sure is partly because they have enjoyed time in amusement arcades and because of the quintessential nature of such places. However, arcades are an important part of what is on offer in coastal towns; they provide a focus, and many retailers around them rely on the footfall that they bring with them.

Typically, arcades are small family businesses, and many have been operating for generations. The traditional amusement arcade machine sector is extremely fragile, and there has been a tremendous loss of jobs over recent years. The sector has experienced an average 21% reduction in revenues since 1 September 2007, and a lot of that dates back to the Gambling Act 2005, although, to a small extent, it also reflects the impact of the smoking ban and the downturn. Every week brings further business closures and redundancies, damaging local economies, communities and tourism. The British Amusement Catering Trades Association estimates that at least 216 arcades have been lost, representing 1,350 jobs.

Recent arcade machine manufacturing figures give an indication of the future for arcades. If arcades do not invest in new machines and do not replenish and renew their offer, they will be less attractive, so the manufacturing sector acts as a real indicator of their future business. Recent manufacturing figures indicate that annual machine production—that production takes place in this country and is an important employer—has fallen from 55,000 machines a year to 12,000. Two associated companies have been forced into liquidation this week, so we need action, and we need it soon.

William Clark, a constituent, was born in a flat above the Withernsea amusement arcade that his father opened 50 years ago, and he now runs 28 arcades in Yorkshire. He told me:

"We had 500 employees 3 years ago. Now we are down to 220. Three to four years ago I spent £1.4 million on new equipment. Last year it was £100,000...The cause of this was the provisions of the Gambling Act"—

which was brought in so thoughtlessly by the previous Government—

"preventing amusement arcades from having £2 stake machines. If the intention of this was to ban these machines, why are they still allowed in bookmakers, a far harder gambling environment?"

Why did the previous Government pick on family amusement arcades and boost hard gambling centres in betting shops?

Mr Clark says that owner-operators are an integral part of the local community and economy. As small business owners, however, they are hit disproportionately by the weight of regulation. He says:

"The new regulation and bureaucracy is forcing owner-operators out of business. I pay approximately £70,000 in regulatory fees alone."

That is because of the quango that regulates this area. The coalition promised to do something. Mr Clark says:

"David Cameron said before the election that he supported the reintroduction of the £2 stake machine. We are asking for the government to deliver their promise. If they got their finger out Seaside arcade operators could benefit this summer."

There are so many issues on which we need long-term thinking and vision. However, on this issue, which is absolutely at the heart of the business community, employment and what is on offer in coastal towns, which depend on tourism, the Minister could do something soon, and I ask him to do so.

Several hon. Members *rose—*

Mr Christopher Chope (in the Chair): Order. We have now completed the list of speakers who gave notice to Mr Speaker in advance. We have about 15 minutes, and about six Members are still seeking to catch my eye.

11.56 pm

Eric Ollerenshaw (Lancaster and Fleetwood) (Con): I will try to be brief and not to repeat what other hon. Members have said. I congratulate my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) because he hit the nail on the head in terms of my responsibilities in the town of Fleetwood. However, I should add that, although a recent study somehow missed Fleetwood off and instead included it in something called Greater Blackpool, anyone who has ever been to Fleetwood will know that Mr and Mrs Fleetwood do not regard Blackpool as either greater or a part of them. That, however, goes to the core of the issue.

Fleetwood is a 19th century town. It was once at the end of the west coast main line, and we actually have a North Euston hotel. The main line train from London used to come to Fleetwood to take the fish back to Billingsgate. The fishing industry was knocked out in the '60s and '70s. Since then, the town has somehow lost its heart. Today, what is left of the fishing industry—the inshore boats that face problems in other hon. Members' constituencies, too—faces the consequences of the difficult balance that the Government will have to strike in terms of renewable energy. The fishing boats of Fleetwood are being laid up as a result of an increase in the number of wind farms on their territory. There is also a lack of any statutory compensation, and I find it incredible in this day and age that, even though fishermen are usually a one-man business, they have to negotiate compensation themselves when wind farms go up on their fishing grounds. I hope that that will be addressed nationally, and I know that other hon. Members feel the same way.

My hon. Friend the Member for Boston and Skegness (Mark Simmonds) raised other issues. There is real potential in coastal towns. For example, Fisherman's Friend is an internationally recognised company in

[Eric Ollerenshaw]

Fleetwood that exports to more than 100 countries. We also have a fish processing industry. Believe it or not, great articulated lorries come to Fleetwood from Hull, Brixham and all around the country night after night because of the skills of certain processing families, whose products are then transported out of Fleetwood to major hotels and restaurants. Those companies could expand and they say that they could take on more work.

Do hon. Members realise that we export 50 tonnes of whelks to Korea every year? Apparently, whelks are an aphrodisiac in Korea, and I would ask hon. Members to try them. *[Interruption.]* My experience of whelks is not too happy, I must say.

Tony Baldry (Banbury) (Con): Were you successful?

Eric Ollerenshaw: There was certainly a lack of success.

I disagree to some extent with my hon. Friend the Member for Beverley and Holderness (Mr Stuart), who talked about freeing up businesses and deregulation. All of that will help, but even though our businesses can take on new people, we do not have the transport system. A railway line still exists, but there is no railway service on it. We have one major road—the A585—which is not dualled. We have actually got a tram and we are the end of the tram line from Blackpool, but the tram is not working at the moment because it is being upgraded to a supertram. The supertram may help with some aspects of tourism in the town, but there are inevitably delays to major projects and the repeated delays to the scheme—I hope that the Minister will take a look at it—have led to businesses closing down. They cannot wait that long.

What we need is, I think, the same for many coastal towns. The projects in question are not big infrastructure deals such as high-speed rail. Small investment is needed, but that small investment could in some towns—particularly, as the hon. Member for Southport (Dr Pugh) said, when it is for transport—bring extra jobs and release potential.

12 noon

Mr Alan Campbell (Tynemouth) (Lab): I congratulate the hon. Member for Boston and Skegness (Mark Simmonds) on securing an important debate so early in the new Parliament. I have represented a coastal seat in the north-east since 1997 and I am pleased to find what genuine understanding new Members have. Let me warn them, however, that their predecessors also understood the problems of seaside towns, but without action to satisfy the huge demands of local residents and visitors there is a price that may be paid.

If I understood the hon. Member for Blackpool North and Cleveleys (Paul Maynard) properly, he was talking about some specific policies for seaside towns that might be implemented locally, as opposed to the more generic issues such as housing and health that we tend to discuss. I agree with him very much. I also agree with the hon. Member for Southport (Dr Pugh) that the first thing that seaside towns need to decide is what they are for. That is an important first step.

I wanted to make some brief remarks in the debate so that I could add a certain balance to some of the comments that have been made. As far as I am aware the previous Government did not sideline seaside towns. The pleas from the hon. Member for Boston and Skegness and others for a continued joined-up approach across Departments is evidence that that Government took seaside towns seriously. In 2010, whatever the problems of seaside and coastal towns—they remain great—they are nothing compared with those of 1997. The previous Government at least began to try to come to terms with the changes to the economy, which happened in a slow process over two or three decades. Those changes were not like a factory closure, in which thousands of people are made unemployed; they took the form of the gradual decline—in some cases the death—of seaside towns.

[Mr David Amess *in the Chair*]

In my constituency millions of pounds of public money went into Whitley Bay and elsewhere, and, importantly, that levered in a large amount of private investment. However, when the local administration changed in 2009 it looked exclusively to private investment, with the result that the regeneration stalled. I look forward, in a local and central Government context, not just to words that people will say about seaside towns, but to resources being committed to them.

We know the fate of regional development agencies, but I want to say something about their importance to seaside towns, or at least my constituency. There would not have been a new shopping centre in the centre of Whitley Bay without the important input of the RDA. The renewal of the west quay on the Fish quay in North Shields would not have happened without resources and encouragement from the RDA. Also, the regeneration of the Spanish City site, which needs to be completed, involved a significant amount of public money, which was brought in through the RDA, which understood its importance.

It is in that context that we need to pay attention to the infrastructure. It is true that much of the infrastructure of seaside towns is Victorian and Edwardian, but it is beyond the wit of private investors to come into my constituency and deal with, for example, the sea front, which stretches for two and a half to three miles. It would serve no profitable purpose for the private sector to come and do anything with it. That is why the public sector has a role to play. I just cannot agree with the hon. Member for Beverley and Holderness (Mr Stuart) that the best thing that government can do is get out of the way.

As to tourism, which is important, one of the first things that One NorthEast has done, regrettably but in many ways understandably, is to cut millions of pounds from the budget. That includes some of the sub-regional and regional tourism money. I hope that that money finds its way to local authorities, because it is important that we advertise a delightful constituency to visit and stay in. If anyone is coming to the north-east and wants to go to Hadrian's wall, or do the castles visit and go to the Metro centre to shop—all things that I recommend—we want them to stay at the coast. We have to be part of the offer that is made. Unfortunately for local authorities, one of the first things that happens is that the tourism budget gets squeezed, because all sorts of other things appear to be more important. In my view, the public sector needs to do what it can do, such as attending to infrastructure—in Whitley Bay we have schools that are among the best in the country, which I must mention to

counter what has been said about educational provision in some seaside towns—and the private sector must be encouraged to do what it can. I commend the excellent small businesses along Park View in Whitley Bay, which have got on with things—in partnership with the local authority, and, indeed, in wider partnerships.

I want to ask the Minister about two things. First, the Conservatives said in opposition—and I presume that what they said has been translated into the coalition document—that they believed that community asset transfer was an important part of regeneration, in particular for seaside towns. I think that it was part of their seaside town policy. Is that still Government policy? What will happen, for example, if a local authority is reluctant to go down that route? Will central Government give it a push in one way or another? I commend the fantastic work that Culture Quarter is trying to do in Whitley Bay; but it is very frustrated sometimes by lack of support from the local authority.

Finally, does the Minister agree with the hon. Member for Boston and Skegness about the importance of the environment? The hon. Gentleman took a view about green and wind farm technology along the north bank of the Tyne, which could create thousands of jobs; would the Minister prefer that to the old industries such as, for example, dismantling ships, which have a huge environmental impact, and in the case in question are only a few miles from seaside villages and towns that we hope are in for a very good summer?

Several hon. Members *rose—*

Mr David Amess (in the Chair): Order. It is very unfortunate that six colleagues still wish to speak but there is not enough time for them all to do so; I understand that they have made the effort to be here. We have only three minutes before the winding-up speeches, and I am told that we have not heard from the south-west, so I shall call the hon. Member for St Austell and Newquay (Stephen Gilbert). If other hon. Members are minded to intervene on the Minister, perhaps he will allow it.

12.7 pm

Stephen Gilbert (St Austell and Newquay) (LD): It is a pleasure to take part in the debate and I congratulate my hon. Friend the Member for Boston and Skegness (Mark Simmonds) on securing it. I shall be very quick, as time is pressing.

There are two issues that I hope the Minister will address affecting people in Newquay, which is part of the new constituency that I am so proud to represent. The first is licensing policy. It seems that, as our seaside towns have changed from family destinations to places where younger people go to enjoy themselves perhaps a little too much on some weekends, the licensing regime has not kept up with the speed at which businesses can open, shut and reopen, often flouting the decisions that local authorities make when they finally get round to intervening. In particular I am thinking of the requirement not to solicit objections to bars, nightclubs and, indeed, lap-dancing clubs. It is a bizarre incongruity that in the planning context the local authority can seek people's views, but in the licensing context it cannot.

Finally—I hope another hon. Member may have a minute or two in which to speak—I want to mention the issue of resourcing following footfall. My hon. Friend made the point that in Blackpool, 18,000 people go to the health care centre, but there is no additional funding. The population of Newquay goes from 20,000 in the winter months to 120,000 in summer, but there is no extra resourcing for policing. That gives rise to a question about how we sustain proper local services in periods of additional population pressure.

12.9 pm

Mr Gordon Marsden (Blackpool South) (Lab): I congratulate the hon. Member for Boston and Skegness (Mark Simmonds) most warmly on securing this debate on a subject in which, as a seaside Member, he has a long-standing interest. Although he was too modest to acknowledge it, he was the author or instigator of "No longer the end of the line", which was mentioned earlier.

I declare several interests. Apart from speaking for the Opposition on the subject, I have a long-standing interest in coastal towns; I was carted off to Blackpool at an early age and saw some of the amusement arcades, about which some have waxed eloquently. When I was first elected to the House in 1997, I saw the need on the Labour Benches to establish a Back-Bench group of seaside and coastal MPs. Lastly, I had the pleasure recently, as the honorary president of the British Resorts and Destinations Association, of visiting the constituency of the hon. Member for Boston and Skegness, when the association held its annual conference at Butlins. I was delighted to see that Butlins is as thriving as it was when I first went there 40 years ago.

Coastal towns face a broad range of challenges. I call them challenges because that is what they are; it is not a negative term, nor is it necessarily positive, but it encapsulates some of the points touched on by the hon. Member for Blackpool North and Cleveleys (Paul Maynard). We know the challenges. In defence of everything done by the Labour Government, I have to say that when my hon. Friend the Member for Tynemouth (Mr Campbell) and I and many others who represent seaside and coastal towns were first elected in 1997, it was after a long period of neglect by our predecessors of the particular problems of seaside and coastal towns. We felt—it is clear from everything that has been said today that new Members feel the same—that a strong and specific light should be shone on the whole question and on the particular problems of seaside and coastal towns.

A light has been shone in recent years on rural areas, on coalfield areas and on inner-city areas. It needs also to be shone on seaside and coastal towns, not least because of what I would describe as the pepper-pot deprivation that they suffer. It is really important that the matter is considered by Ministers across Government. As others have rightly said, it is not a challenge that can be dealt with by only one Department; it has to be dealt with across Departments. That is why the points made by the hon. Member for Southport (Dr Pugh) and others about cross-departmental committees are so important.

A difficult double message needs to be put across in relation to seaside and coastal towns, and Members have touched on the dilemma. We need to discuss their specific problems—for example, deprivation in some of the inner wards of my constituency and, indeed, that of the hon. Member for South Thanet (Laura Sandys), is

[Mr Gordon Marsden]

as strong if not stronger than in some inner-city areas, but that is often masked by grant procedures and formulae because of the larger areas covered by the latter. The Labour Government began to get to grips with the problem, but it was hell for civil servants. No doubt they gritted their teeth when dealing with the minutiae, but they got to grips with the procedures and formulae by considering smaller areas such as sub-ward areas. That was crucial.

The difficult double message is that although seaside and coastal towns have specific problems, they are also worthwhile places. As the Fothergill report shows, they have generated increases in tourism employment over the past few years despite those problems. Those points need to be put across strongly, but it is also a question of seeing seaside and coastal towns in the round. I know from my experience of Blackpool that people too often thought that not enough was being done for the residents, or that not enough was being done for tourism businesses. The truth of the matter is that if seaside and coastal towns are to flourish, things need to be done for both; and what is done for residents and for tourists must be integrated. After all, if residents do not feel good about their town, what sort of welcome will they give the tourists, and how will the tourists feel about it? There are big and important questions when it comes to not having silos and working across Government.

If I have a critique of "No longer the end of the line", produced by the hon. Member for Boston and Skegness, it is that the document is often too generic—or too Pavlovian—in some of the reactions to Government intervention. When producing his report, the hon. Gentleman made a lengthy coastal tour, which was a good thing. In it, he speaks of Blackpool's contribution to regeneration with the construction of the Spanish steps, but where did that money come from? I can tell the House that it came from the RDAs, the Sea Change programme and other Government initiatives. We should keep that in mind.

A lot has beep said about the so-called neglect of the previous Government, although the hon. Member for Southport was good enough to acknowledge that the Sea Change programme was taken up by them. Indeed, I was pleased to play a part in persuading my right hon. Friend the Member for Barking (Margaret Hodge), then Minister for Culture and Tourism, to put the programme in place. Members are right to pass the question back to the Government, because in our "Strategy for seaside success" document, published in March 2010, we specifically mentioned the importance of continuing Sea Change or something of that nature. It has been an enormously important pump primer.

It is said that the sun often shines in seaside towns, and we did start to fix the roof in seaside towns while the sun was shining. In our March 2010 report, we say that the Northwest Regional Development Agency had invested more than £200 million in coastal towns, and that the Heritage Lottery Fund had given £234 million to 864 projects in English coastal resorts since 1997. Money came also from the working neighbourhood fund and the new deal for communities. In that document, we made a series of proposals, including new licensing rules, focusing on stronger co-operation, extending Sea Change and focusing on the new low-carbon economy.

None of those issues are party political; they have to be faced by civil servants, policy makers and Governments. The present Government need to do that, but they will not do it well if they start with cuts—a point made by the hon. Member for Beverley and Holderness (Mr Stuart) and touched on by the hon. Member for Boston and Skegness—especially if seaside and coastal towns get double hits in the cuts compared with other areas. The Under-Secretary of State for Communities and Local Government, the hon. Member for Bromley and Chislehurst (Robert Neill), was candid enough to admit that those with the greatest problems were now getting the greatest hit in terms of the funding streams to seaside and coastal towns. That is not something that seaside and coastal towns want to hear, nor should they.

I return to the general comments made today by those on both sides of the Chamber. We heard some good and useful contributions and everyone focused on community involvement. However, that needs pump-priming; it needs things to be done. I have some wonderful community activities in my constituency. Donna's Dream House is amazing; it was set up for terminally ill children and is known countrywide. The Royal British Legion has its poppy song. However, it is a fallacy to say that such activities do not need pump-priming or some Government support. For example, if we do not have efficient, accurate and specific Government intervention on such things as HMOs—in March, the previous Government proposed good legislation on HMOs, which the present Government should consider—we will not get the results that are needed. If we are to have a big society, voluntary and charitable organisations will need a leg up in seaside and coastal towns, and not a pummelling down from local government or the Treasury through funding cuts.

There are new ideas for the Government to consider. Some were put forward by the previous Government, particularly those to do with Total Place. I would like the Government take up what was said about the funding of seaside and coastal towns but also to consider the specific points made this morning about Sea Change and the other measures needed to ensure that community cohesion in those places continues, and to improve on what was done under the previous Government.

12.19 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): It is good to serve under your chairmanship, Mr Amess. Thank you very much for inviting colleagues to intervene; I very much appreciated that invitation.

I thank my hon. Friend the Member for Boston and Skegness (Mark Simmonds) for bringing this subject to the Chamber. The fact that 10 Members have contributed to the debate and another six would have liked to is an indication of its importance. My hon. Friend tried to hide his light under a bushel, but failed because several hon. Members shook that bushel. He was, of course, the author of "No longer the end of the line" and has been a vigorous exponent of his cause for a long while. I thank him for that and for the eloquence of his contribution today. I shall do my best to answer the questions put by him and other hon. Members, but I will have to keep an eye on the time and be mindful of possible interventions.

As several hon. Members said, we should not talk down either the continuing appeal of our seaside towns or their potential. Anecdotes were related during the

debate, but objective evidence was provided by Sheffield Hallam university, with the support of the Department for Communities and Local Government, which showed that coastal and seaside areas still have a very strong appeal and great potential for the future. That report, which was published last month, found that our seaside tourist industry is alive and well and continuing to grow. I will not repeat the figures that were given in the debate because we are running short of time. Let me make it clear, though, that the coalition Government recognise that coastal and seaside towns face many real problems. They all have unique histories and often differ widely in their economic, social and physical situations and indeed in their history and reputation. None the less, they face some common challenges, which include poor transport links, a dependence on low-wage and low-skill jobs, high levels of benefit claimants, low educational attainment—there is a mixed view on that, but it is a serious problem in some places—and shared private rented housing.

The Government believe that such challenges are best tackled through local solutions. In response to the hon. Member for Blackpool South (Mr Marsden), I am not talking about completely turning off the tap. The point at issue here is who decides how the money is spent. After considering example after example, we are clear that local areas need to be free to determine their own future. They need to be freed from central Government direction and regulation. Let me pick up on two points that were made in respect of that matter. The new Government will give each local authority the capacity to have its personalised approach to HMOs, rather than a blanket central prescription. That is the way to target what needs to be done without imposing burdens on those who do not need them.

My hon. Friend the Member for Redcar (Ian Swales) mentioned the planning system and the way in which it might result in projects being imposed on an area. We are devolving the planning framework to local authorities, so that they can establish their local plans and have the freedom to take those decisions. We are putting power into the hands of local people and local communities, which is very much at the heart of the big society.

Martin Vickers (Cleethorpes) (Con): I accept what the Minister says about intervention and passing down power to local authorities. Will he also tell us about the powers that local authorities have in relation to Government agencies, such as the Environment Agency and Natural England, whereby they are mandated to do something, rather than given advice?

Andrew Stunell: We are, of course, having a cull of quangos. I cannot answer the hon. Gentleman's specific point, but if he wants to draw my attention to particularly unhelpful prescriptive measures being imposed on his local area, I would be very happy to hear from him.

That leads me nicely on to the fact that we are publishing, probably in December, the localism Bill, which will devolve greater powers to councils and to neighbourhoods so that local communities can shape their own future. We want to give local communities, including those on the coast, the tools and incentives to support business growth and to create an enterprise culture. We recognise that coastal towns have unique challenges and that they need locally tailored solutions. It would be a mistake for us to say, "Here is the guide book that will apply equally to all the resorts in Britain." That is why we are inviting local authorities and business leaders to come together to form local enterprise partnerships to replace the existing regional development agencies. The Secretaries of State for the Departments for Communities and Local Government and for Business, Innovation and Skills have already written to local councils and business leaders inviting them to come forward with proposals. I know that a number of coastal local authorities are already considering proposals that would take them into local enterprise partnerships. The list with which I have been provided includes the Fylde coast in Lancashire, which may or may not include Fleetwood—incidentally, I will not be trying whelks any time soon, given what has been said—Bournemouth, Poole and Dorset and Portsmouth, Southampton and Hampshire. I am sure that others will be doing the same. Those local enterprise partnerships will empower groups of councils and businesses working together to provide the strategic leadership that their areas need to set out local economic priorities.

Dr Pugh: As much as I subscribe to the doctrine of localism, there is a degree of pump priming needed. Most local authorities carry huge deadweight costs—if I can put it like that—because of their social services budget, and have little financial freedom to carry out some of the big infrastructure projects that are very much part and parcel of regeneration. That specific problem does not seem to be directly solved by the localism agenda.

Andrew Stunell: My hon. Friend anticipates the next paragraph of my speech, which talks about the £1 billion regional growth fund. I do not know how we do that, but there must be some kind of electricity between us. The Government intend to ensure that local areas have the capacity to deliver on their priorities. We are taking away the walls or barriers between the different funding streams that local authorities receive so that they can set their own priorities. I was astonished to find that there were 115 different income streams launched from my Department to local authorities. We are trying to break down those walls, so that the money that arrives in the vaults at the town hall can be spent in the way that the elected representatives at the town hall believe is best.

A number of other points were made, but let me reassure all hon. Members that we intend to maintain the existing co-operation between Departments and I shall look hard to see what opportunities there are to strengthen it, and the Minister with responsibility for tourism will, I am sure, do the same. We will retain the concept of drawing together all the different public service funding streams in an area, and ensure that we get the maximum value out of them.

The hon. Member for Tynemouth (Mr Campbell) spoke about community asset transfer, and we are keen to ensure that such capacity is there for voluntary and community groups. I believe that the localism Bill will contain specific provisions that open the door to that.

I am looking at the time; I do not have very long and I have not answered all the questions. If hon. Members want to reinforce their points by writing to me or getting in touch with me, please do so and I will do my best to give informative answers.

[Andrew Stunell]

If we are to ensure that coastal towns have the resilience that they will need in the tough economic times that lie ahead, they must diversify their economies and widen their economic bases. That means attracting a range of employers offering jobs at different skill levels and in new sectors. We need to ensure that coastal towns become more attractive places for people of working age, so that not everybody thinks that people are only born in such towns or die there; we must show that there is something to do in between times. That is an important part of the economic thinking of coastal towns—

Mr David Ámess (in the Chair): Order. We now move to our next debate.

University Funding (Yorkshire)

12.30 pm

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Mr Amess, Huddersfield is not a coastal town, as you might have noticed, but I am very fond of all things Whitby and Broadstairs. So that is a declaration of interest in the subject of the last debate.

This is the first Westminster Hall debate I have secured in the new Parliament and I do not apologise for returning to a subject that is absolutely crucial to all our regions. I say "all our regions", but I remember the Chancellor's recent speech, in which he said:

> "Between 1998 and 2008, for every private sector job generated in the north and the midlands, 10 were created in London and the south."—[*Official Report*, 22 June 2010; Vol. 512, c. 176.]

In so many ways, we are two countries. We are, first, a country of the regions outside London and the south; and secondly, a country of London and the south. I understand that when the future of the regional development agencies was being discussed, it seemed that London, the south-east and the south-west would lose the particular focus that had been put on them. Is it not true that we must address the imbalance between the regions in terms of employment and innovation?

Many years ago, when Sir Keith Joseph became the Secretary of State for Education he gave a reading list to all his civil servants and junior Ministers. My approach in my speech today will be rather like that. Furthermore, I would like anyone who takes note of this debate to appreciate that Yorkshire and Humber is a microcosm of all the regions: the problems that Yorkshire and Humber has are similar to those that all the regions outside London and the south-east have.

I would like to refer everyone to the recent reports from the National Endowment for Science, Technology and the Arts and the ERA Foundation about the productive capacity of our country and innovation. In particular, the NESTA report sets out four scenarios for the future of Britain's productive capacity, which go to the very heart of the concerns I am expressing today about the funding of universities. In doing so, the report is concerned with how we will make a living and achieve a good standard of life for the citizens of this country.

The first scenario that the NESTA report sets out is that we carry on doing more of what we are already doing—we carry on as we are. However, all the testing that NESTA has done of that scenario shows that it will not work; it will not increase productivity and jobs or get the economy moving again. The second scenario is that we invest entirely in and focus completely on a rebirth of manufacturing. Although that scenario is not entirely discounted, it is certainly not seen as an overall answer to the question of how we can re-energise our productive capacity.

The NESTA report focuses on the third and fourth scenarios for the future. They involve changing the whole nature of our economy, turning it into an innovative one in which we seriously apply innovation to all its sectors. On reading the NESTA report, time and again we find that the real agent for delivering such change is our universities, and that if we do not use them to take a lead and innovate, we will not achieve the increase in productive capacity that we must achieve if our constituents are to have "the good life".

The ERA Foundation report is also interesting. Many people do not know this, but the royal commission for the great exhibition of 1851 made so much money that Prince Albert was able to invest in buying most of Kensington. Imperial college, the Victoria and Albert Museum and other such institutions are built on that land, and they have the freehold and receive the rents. Through the ERA Foundation, they provide a lot of money—between £60 million and £80 million, I think—for research into productive capacity, manufacturing and much else.

The ERA Foundation report, which came out at about the same time as the recent NESTA report, puts more emphasis on manufacturing than the NESTA report does, but like the latter it says that manufacturing must be highly innovative. Indeed, it says that manufacturing must be led by innovation and by small and productive new enterprises. Again, universities figure prominently in improving our capacity to deliver. So when I talk today about the particular challenges in Yorkshire, I am actually talking about something that is good for our whole country—investing in higher education.

The data show that we invest about 5% of GDP in education. That figure is a little higher than the average for OECD countries but it is not the highest—I think the average is about 4.6%—so we should not get carried away. Even with all the work and investment in education that has gone on during the last 13 years, we have still not become the OECD or world leader in investing in education.

I used to chair the Education Committee, or whatever else it was called during the 10 years I chaired it, and time and again we looked at the increase in per capita spend on education. Of course, the great fashion—it was also absolutely the right fashion, in that it was an evidence-based policy—has been to invest in early years education: education of the youngest age group through to school-age. Later on in the age range, one sees that investment in higher education has been less than in education generally.

Higher education has therefore been fighting to do more with less for a long time, and people must bear that in mind. Those who campaigned against what the Labour Government called "variable fees" and what the then Opposition called "top-up fees" should bear it in mind that the reason why I was always totally in favour of top-up fees and why the Committee eventually came out in favour of them was that we could not see any other way of getting a high level of investment in university teaching and research salaries. Indeed, Mr Amess, if you look at the figures you will see that nearly all the money that has been raised from the top-up fees fund—whereby people make a payment towards their fees, capped at £3,000—has gone into the salaries of researchers and lecturers. British universities have been greatly blessed by having that ability to pay a decent wage, so that they can attract and retain the top talent.

Mr Amess, I want to refer you and everyone else here to three other pieces of reading. The first is the recent speech on higher education by the Secretary of State for Business, Innovation and Skills; the second is a speech by Professor Malcolm Grant, the president and provost of University college London; and the third is an article by Professor Steve Smith, the president of Universities UK. I hope that people will read those speeches and articles and balance them against each other. The Secretary of State made a good and balanced speech, saying that we must do even more with less. He also indicated that there were certain ways in which we can raise funding and he spoke about how that funding is retained—or not retained—in universities.

Alec Shelbrooke (Elmet and Rothwell) (Con): I should first declare that I worked for Leeds university for 11 years and did a lot of work on open innovation in conjunction with other Yorkshire universities. I examined a lot of research on universities, which I will elaborate on later if the hon. Gentleman gives way again.

Sometimes, the debate is about whether some universities should be privatised, but in fact, only 3.6% of the income of the American Ivy league universities comes from the private sector, and British universities already receive 2.8% of their income from the private sector. Having listened to the hon. Gentleman's arguments about university funding, I just want to say that privatisation of universities is not the route to go down.

Mr Sheerman: I will certainly not be advocating the privatisation of universities in my speech. Some privatisation has taken place already. The university of Buckingham was much vaunted and much publicised, but what does it do? It specialises in the easy stuff—training lawyers and accountants. At the moment, all the private sector seems to be choosing the easy, soft stuff on the margin. I have certainly not seen anyone come forward and say, "We're going to start a proper university that teaches the tough, expensive subjects." I agree with the hon. Gentleman.

The Secretary of State's speech was good, but it failed to address innovation, universities' role in leading it and recent partnerships between universities and the private sector—partnerships with small and medium-sized enterprises, with manufacturing and with the service sector, which employs 57% of the people in my constituency. Only 10% now work in manufacturing; 33% work in health, education and the local authority. Universities have good partnerships with SMEs country-wide and, interestingly, worldwide. Universities working in partnership have a role to play. The Secretary of State underrates their key role in future investment in this country. This is my most serious point: if we are going to haul our country properly into the 21st century and compete with the productivity of Germany, France and emerging countries such as India and China, we must use our universities in a way that we have not done in the past.

This is not the time to cut back; this is the time to invest in universities and to increase the money flowing into them. I have talked to all the universities in Yorkshire. A 25% cut will mean tremendous staffing cuts. One leading university in a major city told me that it will mean cutting 1,000 jobs in the city. A university in the next largest city—hon. Members can guess from the size which cities I am talking about—says that it will lose 600 jobs. Those figures are from one university; both cities have two universities. The 25% cut in the higher education sector may not be a disaster in the short term—perhaps we will be able to live with it for a while—but it will have enormous long-term effects on our industrial future.

I will not speak for too long, as I want to give the Minister a chance to respond. Yorkshire's universities boost the region's economy by £3.68 billion and play a

[Mr Sheerman]

critical role in generating jobs, creating innovation and driving enterprise. They are the most important source of innovation and partnership in the regions. That is recognised across parties; I am not making a narrow party political point. We are discussing a potential decision arising from the present state of the economy.

It does no one any good to exaggerate the state of the UK economy. I refer people to a recent article by Sam Brittan, a known Conservative, the brother of a well-known Conservative politician and a supporter of the coalition. He says that it does nobody any good to exaggerate how bad the UK economy is, and shows carefully that the exaggerations are not true. We have gone through an international meltdown of financial services and a world recession, but Britain has not come out as badly as people think.

I know that the coalition Government like to exaggerate, because that is what all new groups do when they take over. They say, "We've looked at the books, and it's so bad we've got to take draconian measures." That does not help anybody. We must take a realistic view of what we can and cannot afford. I could make myself unpopular outside this room by saying this, but if I were seeking to reduce overall expenditure, I would cut other areas that are perhaps more sensitive in the public imagination—health, education and other Departments—long before cutting into the potential of our productive sectors and our capacity to grow through the higher education system.

We have two countries, as I said. To make things more dramatic, I return to the provost of University college London. Unfortunately, he echoed quite a deplorable comment made in a speech by an Education Minister in the present Government who was a good member of my Select Committee. That Minister said that he would prefer an Oxbridge graduate with no teacher training qualification over someone from a rubbish university with a postgraduate certificate in education. I thought that that was a terrible remark. Malcolm Grant fell into the same trap, saying that research money to rich universities should not be cut and that he would rather see "pile 'em high and sell 'em cheap" universities go to the wall.

Malcolm Grant should visit the university of Huddersfield, which is a cracking good, innovative university. We do not pile 'em high and sell 'em cheap; we emphasise quality. Recently, I went to an end-of-year exhibition by our design students that ranged from high fashion right across to automotive design. People graduating from that university are snapped up all over the world for their talent. I have here a document announcing a new programme in Huddersfield: "Towards an alternative nuclear future: Capturing thorium-fuelled ADSR energy technology for Britain".

I say to the provost of University college London that there are nine universities in Yorkshire and 43 in London. If I were considering the economic regeneration of the regions, I know what I would do if cuts had to be made. I do not want to cut anyone's money; I do not want to close universities serving communities in the most challenged parts of London. However, if push came to shove, I would move 10 of those universities to other places in the country. That would ease congestion in London and make a real difference to some towns that do not have the privilege of a higher education institution.

The universities sit at the centre of what I call my big society. When I go back to my constituency, what is the centre of my big Huddersfield? It is the university. The university employs the biggest and most talented group of people, a lot of whom are well paid. Many live locally and are leaders in the town's civic pride. That is important to a big society. Also, they are often close to the third sector. I have been a social enterpriser all my life—I am told that I have started about 48 different social enterprises—but we in the third sector are in danger. Despite what the coalition Government have said about being in favour of the third sector, it is going out of business rapidly. The people who used to fund social enterprises and the third sector have either been abolished or think they are in danger of being abolished, and the funding used by social enterprises is unavailable. Many of them are going out of business or battening down the hatches until we find out what the alternatives are to the funding we have become used to.

We need to be a highly innovative nation and to invest in higher education. There ought to be someone—I hate to use the word "tsar"—who is responsible for innovation in every university campus. They should report directly to the Secretary of State on how much innovation there is, how successful it is, and what partnerships there are. I approve of all that. There needs to be new ways of doing things more efficiently and effectively, and of using resources better. I believe in all that, but for the future of our country, our regions and Yorkshire we must move steadily and steadfastly. We must invest in higher education, in innovation and in our future.

12.50 pm

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): I congratulate the hon. Member for Huddersfield (Mr Sheerman) on securing the debate. In the last Parliament, as Chair of the Select Committee on Children, Schools and Families, he was a very authoritative voice on all aspects of education and he brings that knowledge and skill to today's debate. I am very sorry that my right hon. Friend the Minister for Universities and Science is not here, but as I am sure the hon. Gentleman is aware, he is attending the Select Committee on Business and Enterprise. My right hon. Friend sends his apologies—I am very much a stand-in.

The hon. Gentleman is passionate and knowledgeable about this subject and he has shown that today. I thank him for the role he plays in partnership with Kingston university in my constituency. He is a trustee of the Rose theatre in Kingston, which has a partnership role with the local authority, local business and Kingston university in relation to creative arts. That is the sort of partnership he was talking about during his speech.

Mr Sheerman: I am an honorary doctor.

Mr Davey: The hon. Gentleman is also an honorary doctor. I should put it on the record that I am an honorary fellow of Birkbeck college, London, which is showing the way in how we can be more innovative in the higher education sector. I was interested to note that

he referred us to Sir Keith Joseph's reading list. I am not sure if he wanted us to read the books on that list—probably not; I think he was creating his own reading list. I was delighted that he included a mention of the recent speech made by my right hon. Friend the Secretary of State for Business, Innovation and Skills. He was generous enough to say that it was a good and balanced speech, although he made the point that it did not mention innovation, which was the main focus of his speech today.

I reassure the hon. Gentleman that the Government are keen to do what they can to promote innovation. We share his desire to ensure that higher education institutions in Yorkshire and, indeed, across the country are able to maintain their reputation for world-class research, which has been one of Great Britain's key comparative advantages in recent decades. Although there will be some tough decisions to make, we are determined that when we make them, we will not put that huge reputation and the benefits that the wider economy gets from the work of our great universities at risk.

Alec Shelbrooke: On the point about innovation, something to which the hon. Member for Huddersfield (Mr Sheerman) did not refer—or he may have done in part—is that when universities in the Yorkshire region come together, they have an outstanding opportunity to be the leading nanotechnology specialists in the world. Indeed, York university has one of only four machines in the world that can photograph molecules down to that level and see them lined up, and Huddersfield university has one of the most precise measuring instruments in the world.

Overall, innovation is part of the bread and butter of universities. Will the Minister give some thought to how he can free up universities to enable them to capitalise on the intellectual property that they develop? At the moment, they struggle to do so because their charity status means they are unable to make a profit. If they did, they would be hit by VAT, which would be bad for them. If we can change some of the rules that they play by, a huge income stream would be available to universities, which would bring into universities the investment that we all want to see.

Mr Davey: I am sure that my right hon. Friend the Minister for Universities and Science will want to reflect on those remarks, because we will be searching for new revenue streams. It is incumbent on this Government to do so as we make some difficult decisions about public funding. The hon. Gentleman's comment is therefore very helpful. The university of Huddersfield is exceedingly expert in that area and has a unique nano-lab facility. As he was saying, that shows the great research facilities that are in the Yorkshire higher education institutions and how they benefit when they work together either across Yorkshire or, indeed, in the N8 group more broadly across the north.

Mr Sheerman: Yorkshire ranks No. 1 in all the regions in terms of attracting inward investment—£28 million a year—for new start-up businesses.

Mr Davey: I understand that. It is one of the reasons why I wanted to say to the hon. Gentleman that, although there will be a difficult funding climate—as colleagues are well aware—it is worth putting it on the record that Yorkshire universities tend to fare reasonably well compared with their counterparts in other parts of the country. That is in no small part due to their strong research performance. Yorkshire universities receive a level of research funding per higher education institution that is above the UK average, and two of its institutions are among the 20 that receive the most research funding in the United Kingdom. He is absolutely right. The Government are keen to ensure that they can build on that success.

The higher education sector is a success story for Yorkshire. The university of Huddersfield in the hon. Gentleman's constituency illustrates what Yorkshire universities can achieve. I have mentioned the nano-lab, but the cutting edge Centre for Precision Technologies is also showing what Yorkshire universities can do for precision engineering. Huddersfield university has other areas of expertise, including automotive engineering, motor sport, computer games, electronic and electrical engineering, and multi-media and music technologies. Kingston university in my constituency also has many areas of expertise in engineering. Given Kingston's past, those are particularly related to the aeronautical industries. I share his commitment to ensuring that universities are able to develop the innovative capacity they have shown in the past. Despite the problems that will arise over the next few years in ensuring the funding is fair, we must ensure that such a capacity to innovate is not lost, as it can play its part in reducing the public sector deficit.

The hon. Gentleman said that we should not talk down the state of the British economy. There is no desire to talk the economy down, but there is a desire to deal with the huge challenges we face—a public sector deficit that is 11% of GDP, and the highest public sector deficit within the OECD. The Government cannot sit by and do nothing. I am sure he will admit—he is such a reasonable person and is very knowledgeable—that the previous Government were considering some significant reductions in funding in this area for this year. If anything, compared with the grant letter of December last year, this Government are putting more money into HE this year for the 10,000 places, which has led to some debate. The previous Government were planning £600 million of spending reductions to take place in future years. On financing the HE sector, this Government have not uniquely decided that they want to consider reducing spending; they are taking on the previous Government's proposals.

Mr Sheerman: I am sure that the Minister's officials will have looked at the speech I made in this Chamber in January, in which I complained about the previous Government's cut to university funding. So I agree with him on that. However, what does he think our competitors are thinking? Higher education is the one sector in which we are the world leaders—we compete with the Americans, the Australians and the Canadians—but suddenly we are going to start cutting it by 25%. That is what he is predicting—25%.

Mr Davey: I am glad to see that the hon. Gentleman is claiming consistency in that he says that he criticised the previous Government for their spending cut proposals. We share his vision of the crucial role that universities and innovation play in our economy, the productive

[Mr Davey]

sectors and so on. There is no dispute in that area, but there is a dispute about the role that the university sector must play in facing up to the immediate public finance problems facing the country.

I apologise to the hon. Gentleman because I am running out of time. I shall conclude by saying that there are no easy solutions to the challenges that this country—this Government—faces on public spending. We should not run away from those challenges, because it will be in the long-term interests of our university sector if we face up to them. With the help of Lord Browne's review, which will conclude in the autumn, we will have the knowledge base and understanding to put forward a fair and equitable settlement. Such a settlement will ensure that our universities have sustainable funding and that access to universities is not undermined.

Equitable Life

1 pm

Nicola Blackwood (Oxford West and Abingdon) (Con): I am grateful for the opportunity to debate Equitable Life. As a parliamentary candidate, along with many others from all parties, I signed a public pledge to support and vote for proper compensation for the victims of the Equitable Life scandal and the setting up of a swift, simple, transparent and fair payment scheme, independent of Government, as recommended by the parliamentary ombudsman. I am here today, along with many concerned colleagues, because, with the Chadwick report due imminently, I wanted to give the Minister an opportunity to hear the views of parliamentary colleagues and Members an opportunity to raise the concerns that have been brought to them since the election.

I must confess that I spent much of Sunday watching the Opposition day debate from 17 March on Parliament TV—although that may raise doubts about my sanity, it was very reassuring. The Minister showed a real understanding of the appalling injustice that has been suffered by Equitable members. According to the Equitable Members Action Group—EMAG—more than 1,000 policyholders and 2,000 group scheme members live in my constituency. He understood the anger felt at the previous Government's delaying tactics. Most importantly, he was clear in committing a future Conservative Government to implementing an effective compensation scheme in a timely manner. I am pleased that that commitment has been restated in the coalition programme.

Nevertheless, concerns have been raised with me and my colleagues since the election. As many of us are new Members who did not have the chance to contribute to the most recent debate on the matter, I know that the Minister will appreciate the opportunity to hear their views as he considers the Treasury response to the Chadwick report and decides on future plans for a payment scheme.

I am not inclined to give a summary of the Labour Government's attempts to avoid the findings of the Penrose inquiry and hobble the ombudsman in her first inquiry, only to refuse to accept her conclusions of maladministration and injustice in her second inquiry and the subsequent judicial review, which determined that much of their refusal failed the cogency test. I am sure that all Members present are familiar with that sorry saga; if they are not, there is an excellent Commons Library standard note on the matter, which they can peruse at their leisure. Suffice it to say that the Minister has been left with a scandalous legacy by his predecessor, and one that I would not wish on my worst enemy.

I will focus on some of the main barriers to progress that we face. The first barrier is that Equitable members have had all their faith in Government systematically destroyed by the transparent attempts by the previous Administration to delay and obfuscate—one of the few instances of transparency they can boast. The accusation that the Treasury made the cold-hearted calculation that the longer the process took, the less it would have to pay out, as Equitable members were dying off at such a rate, has never been verified. Nevertheless, the accusation sits uncomfortably in the middle of the negotiating room, making it difficult to build a constructive relationship when attempting to create a scheme that Equitable members can support.

Together we will have to find a way to build that relationship, however painful the process, and to start rebuilding trust, and I suspect that no amount of rhetoric will do the trick. The only way Equitable members will be able to move past the consistent abuse they suffered at the hands of the previous Government will be by seeing concrete action replace warm words. I urge the Minister to remember that history as he moves forward.

Many of us feel that, after our active championing of the cause of EMAG members when in opposition, they should feel that they can trust us. It is clear, however, that having suffered so much from Labour's broken promises for so long, they now find it difficult to trust so easily. The only remedy for that distrust is to prove the doubter wrong by delivering in government what we promised in opposition. At the same time, Equitable members must meet us halfway by working in partnership with, rather than just in opposition to, the Government as we try to find a way to bring them justice.

Dr Sarah Wollaston (Totnes) (Con): Another point is that so many Equitable Life members are very hard up. I have received letters from many constituents, and one couple I heard from are now surviving on pension credits and rent rebates after a lifetime's savings were decimated by the Equitable Life scandal.

Nicola Blackwood: That is the message I receive in my post box day after day, and I am sure that many colleagues have similar cases.

The second problem we face is uncertainty. For decades, Equitable members have been treated with the utmost contempt by the management of Equitable Life, the regulators and, latterly, the Labour Government, who refused to give them clear answers, denied their claims of injustice, even in the face of all the evidence and, even after accepting some measure of responsibility, have consistently refused to give the victims any indication of the timetable or costing.

Sarah Newton (Truro and Falmouth) (Con): Does my hon. Friend agree that, as we are determined to rebuild a savings culture, in addition to honouring our manifesto pledge, it is vital that people can invest in pensions with confidence, knowing that they will be compensated if those are mis-sold?

Nicola Blackwood: I agree entirely. A key concern during the general election campaign was the fear that the saving culture in this country, which for so long had been part of our economy, had been completely destroyed. We must do everything we can to avoid entrenching that destruction.

Mr Andrew Smith (Oxford East) (Lab): The hon. Lady, who is my fellow Oxford Member, makes her case passionately and effectively. Is not the crucial point that we get a commitment to transparency and fairness, which is what EMAG has been calling for, and that it would therefore be helpful to hear from the Minister on how the coalition Government intend to change and enhance the remit that was given to Sir John Chadwick?

Nicola Blackwood: Transparency must clearly be at the heart of any process we now embark upon. As I have said, with trust at an all-time low, the only way we can ensure a process in which all partners can take part is by showing that we are not in some way trying to brush under the carpet some of the problems that the previous Government did.

Mr John Redwood (Wokingham) (Con): My hon. Friend is making a strong case. Like her, I wish to see justice for the victims of the problem. Does she agree with me that it would be helpful if in the meantime all the work proceeds on cleaning up the records and ensuring that the lists, and therefore the potential eligibility by category, are in the best possible order so that my hon. Friend the Minister can make a speedy disposition of funds once he has made a decision?

Nicola Blackwood: My right hon. Friend makes an excellent point. With all the delays we have seen, the last thing we want is to come to an agreement on the terms of a payments scheme, only to have to embark on a lengthy period of making the data ready for that. It would be excellent to hear the Minister's comments on that point.

On timetabling, it does not take much imagination to see how such long-term uncertainty would eat away at an Equitable member, causing as much damage as a shrinking pension. The Minister was vocal in calling for a clear timetable in his statement on 17 March, so I am sure that he will be able to offer a timetable today, or very shortly in a statement to the House.

The final problem I will mention is the deep suspicion with which EMAG members view the Chadwick process. Indeed, the fact that they pulled out of that process less than 24 hours before the most recent debate on the matter was noted, as was the fact that as a result the final Chadwick report might be subject to serious dispute, if not to judicial review proceedings, which will also delay proceeding.

The concerns they have raised include concerns about the assumption of the third interim report, which asserted that regulators should be assessed on the basis of the lowest common denominator, despite the fact that the High Court judgment in EMAG *v.* Her Majesty's Government found that it was reasonable to assess injustice on the basis of not only strict legal liability, but the policyholder's reasonable expectation of a regulator. During those court proceedings, the ombudsman expressed concern that the Chadwick process broke the link between injustice arising from maladministration and the provision of any remedy by limiting future payments to those who had been disproportionately affected. Also, among current EMAG members is a sense that, in our straitened economic times, the Chadwick report will find a way to underestimate the losses.

Mr Sam Gyimah (East Surrey) (Con): Does my hon. Friend agree that addressing the loss, even in straitened times, is important? The Government ought to send out the signal that people who do the right thing should not be penalised, which is what has happened in the Equitable Life situation.

Nicola Blackwood: Yes, and that speaks to the earlier comments on the need to protect and enhance the saving culture and on sending the right message to people that they can put faith in how we regulate savings.

[Nicola Blackwood]

Could the Minister comment on two proposals that might address the concerns about the Chadwick process which EMAG has raised with all of us? First, the Chadwick report should not be the foundation of a payment scheme but, rather, one of the resources used in creating an independent payment scheme. Secondly, the final assessment of losses should accurately reflect the cost that Equitable Life members have borne.

Andrew Bingham (High Peak) (Con): We have all received lots of letters from EMAG, as candidates and as Members of Parliament, but two things have not been mentioned today—the dependants of policyholders who are now deceased because there has been such delay, and the issue of not means-testing such people. Does my hon. Friend agree?

Nicola Blackwood: I believe that those issues were raised on 17 March and that there might have been a subsequent commitment. However, hearing the Minister's confirmation would be helpful.

Two issues are at stake in the process. The first is purely financial.

Charlie Elphicke (Dover) (Con): With respect, I add that Equitable Life victims in Dover are deeply concerned. I congratulate my hon. Friend on securing the debate and on her excellent argument.

Nicola Blackwood: The first of the two issues at stake is purely financial—the technical problems of designing a scheme that is fair, transparent, swift and simple. The second issue, which is almost more challenging, is ethical—the admission of responsibility by the Government for regulatory failures and the acknowledgement of what that failure has meant to Equitable Life members.

By failing to admit the full extent of the losses, we will fail on the latter issue, ethically, even if we succeed on the former, financially. I do not see any reason why we need to go down that route. All parties have consistently stated that final payments will have to be balanced against other calls on the public purse. The High Court stated that, as the Government were not required to create a compensation scheme, any legal objections to the nature of such a scheme were bound to fail, so there seems to be no legal barrier.

In my dealings with EMAG, representatives have clearly stated that they understand that full payment may well not be possible, but they want an acknowledgement, at least, from the Government of the full cost that they have shouldered.

Neil Carmichael (Stroud) (Con): We all have big postbags on the subject, obviously. We need clear milestones for delivery. That is what most of my supporters in this connection want—milestones.

Nicola Blackwood: Along with the rest of the country, Equitable Life members know that we have been left to clear up Labour's financial mess. All sections of society will have to do their bit in getting our national finances back on track. If we ask EMAG members to trust us, as their Government, we should trust them to accept that we might be able to pay back only a percentage of their losses. If we attempted to pay out in full, according to calculations that do not have the confidence of the public, we would do significant damage to our credibility for the long term.

The Equitable Life case is a prism of the wider legacy of the Labour Government: public distrust in politicians and Governments is at an all-time low, as a result not just of media-induced cynicism but of Labour's chronic inability to deliver on its promises or to take responsibility for its mistakes. The case is one of our key tests, a barometer of how straightforward we will be in the face of the tough choices that we have spoken about so often.

I have the greatest confidence that the Government will be honest and open about the extent of the damage inflicted on Equitable Life members and of the capacity of the Government to remedy it. According to the Minister's own words, he has the compassion to lose no time in setting out a detailed programme for that remedy, putting to an end the decades of injustice and uncertainty endured by hundreds of thousands of Equitable Life members.

1.14 pm

The Financial Secretary to the Treasury (Mr Mark Hoban): First, I congratulate my hon. Friend the Member for Oxford West and Abingdon (Nicola Blackwood) on securing the debate, the first in this Parliament on Equitable Life. I am certain it will not be the last such debate.

I want to respond to a couple of points made in interventions before returning to the main thrust of my remarks. My right hon. Friend the Member for Wokingham (Mr Redwood) asked about the quality and cleansing of the data. It is important to place on the record that there are 1.5 million policyholders holding 2 million policies, and that 30 million premium transactions have taken place over the period in question. The quality of data is a huge problem. I am grateful to EMAG for the offer of access to its database to help us cleanse the information. Equitable Life and others will be working with us to ensure the best-quality database. My right hon. Friend is absolutely right that such work needs to proceed in parallel with other work streams, so that we can make payments to policyholders as quickly as possible.

Reference was made to the importance of savings. The regulatory reforms that my right hon. Friend the Chancellor announced last month include the establishment of a consumer protection and markets agency, which will help to improve the regulation of our financial services, hopefully contributing along with other measures to rebuilding a savings culture in this country.

I did not need this afternoon's debate to remind me of the importance of Equitable Life to so many of my colleagues, having received a number of letters, answered a number of written parliamentary questions and had a number of oral representations from colleagues about how important the matter is. I understand the strength of feeling, and I hope that, over the past four or five years in this role in opposition and now in government, I have come to be seen by policyholders as a strong advocate for ending the plight of those who have suffered as a consequence of Government maladministration. I want to see a swift response but, vitally, one that is transparent and fair to all policyholders and to the taxpayer.

Andrea Leadsom (South Northamptonshire) (Con): Does my hon. Friend agree that the problem is that, because it has taken so long to get to the point we have reached today, we are in a worse position than if the situation had only recently occurred? Therefore, having promised to make good the damage left by Labour, we must put the matter to rest as quickly as possible—even quicker than in normal circumstances.

Mr Hoban: My hon. Friend makes an important point. The crisis has gone on for too long. Lord Penrose's report was back in 2000, and the previous Government could have tackled the issue then. They blocked the ombudsman's second inquiry into Equitable Life, and they took six months to respond to the ombudsman's report. At every step in the process, the previous Government delayed. We want to make rapid progress, but fairly and transparently for policyholders and taxpayers.

In our coalition agreement we pledged to make fair and transparent payments, through an independently designed scheme, to policyholders for their relative loss as a consequence of regulatory failure. In the two months since we have been in office, we have made real progress and will continue to do so over the coming months. In May, in the Queen's Speech, we announced an Equitable Life Bill, which will give the Treasury the statutory authority to incur expenditure in making payments to those who have suffered loss in connection with maladministration and the regulation of Equitable Life. The Bill will be introduced shortly and will be an important step towards resolving the issue.

Another important step will be the imminent publication of Sir John Chadwick's final report on Equitable Life. It will give us a greater understanding of the losses that policyholders have suffered. Some have called for us to abandon the Chadwick process or to alter Sir John's terms of reference. However, after careful consideration, I decided to allow Sir John to continue with his work under the current terms of reference. His work has been the culmination of almost 18 months of detailed analysis and evidence gathering. He and his actuaries have delved deeply into the issues, and their work has been informed by consultations with interested parties. For example, his flexible approach to establishing loss removes from policyholders the burden of proving what they would have done had they been aware of problems at Equitable Life. It is important to have his work available, as it will aid us in providing a swift response.

Gavin Barwell (Croydon Central) (Con): The Minister certainly has the reputation with EMAG members that he mentioned earlier, but an issue of concern is the Government's attitude to Chadwick. The Minister said that their response would be published imminently. Is there likely to be a statement before the summer recess?

Mr Hoban: I believe that there will be a statement before the summer recess. I recognise the concerns about Sir John's work, but it is a useful building block in the process. To dismiss it and not give it due consideration would be an error.

George Hollingbery (Meon Valley) (Con): Has the shape of the Minister's thoughts on moving this issue forward changed from what he announced as the Conservative party's plans in March?

Mr Hoban: My views have not changed in that period. An option one gets as a Minister is to drive the process forward further and faster, and to change the approach. What hon. Members will have seen over the past eight weeks, which will become clearer when Sir John's report is published, is that we have adopted a much more transparent and open approach to the resolution of the problem.

As part of that transparency, I will publish with Sir John's report the advice provided by his actuaries as well as correspondence he has received on the matter. In the light of the sensitivity of the issue, we must know how he developed his methodology and what has informed his thinking. To restore trust in the process, I want to be as open and transparent as possible about our approach and the losses suffered by policyholders. I believe that that is the best way to tackle the distrust that my hon. Friend the Member for Oxford West and Abingdon referred to in her speech.

Dan Rogerson (North Cornwall) (LD): I am sure that people listening to this debate will be reassured by the approach that the coalition Government are taking, in contrast with that taken by the previous Government. Can the Minister confirm that, in taking into account what the Chadwick report says about the scale of the losses suffered by Equitable members, the coalition Government's approach to how payments will be judged is new and not built on any of the previous Government's work?

Mr Hoban: I will come on to the commission shortly, if Members will bear with me.

As I said, I want the process to be as open and transparent as possible. I have said to the House that when we publish Sir John's report, I will provide a substantive update on the next steps in the process. We have already set out the important steps in how we will take the work forward, and some points about how the scheme will work.

My hon. Friend the Member for High Peak (Andrew Bingham) raised a couple of points in his intervention. I wish to make it clear that there should be no means-testing, and that the estates of deceased policyholders should be included in the scheme. We felt it important to clarify those two issues early on in order to settle some policyholders' worries, and I am happy to reiterate those commitments today.

I will establish an independent commission that will advise on how best to allocate funds to policyholders and to help develop the scheme design. One of the key aspects of the ombudsman's recommendations was that any scheme should be independent of Government, and I agree with the thinking behind that recommendation. The commission will be given a remit that will allow it truly to add value to the process.

The process will be time-consuming, and there is the potential that payments will be delayed if we ask the commission to start the process of determining relative loss from scratch. However, we want it to play a role in developing a fair outcome for all policyholders.

Amber Rudd (Hastings and Rye) (Con): The Minister kindly mentioned how the funds will be paid out. In my constituency, a number of people are concerned that because it will take a long time to appoint the commission,

[Amber Rudd]

which will then have to go through its own procedure, further delays could be added. Can he tell us how the commission will be put together and what his expectations are of the timing?

Mr Hoban: I am keen that the commission should work as quickly as possible. In many respects, the process would have been shorter without the commission, but it is an important guarantee of transparency and openness, and it is right that it be given a remit to do this work. Equally, I am mindful of the fact that we need to give it a tight timetable, so that it has time to think about the issues but is not seen as delaying the process of making payments to policyholders.

Bob Blackman (Harrow East) (Con): One of the concerns is that, sadly, many policyholders have died or are dying. Can the Minister give some comfort on the issue of giving interim payments once the decision has been taken, so that people can receive payments before the commission has completed its work?

Mr Hoban: I am conscious of the fact that many policyholders are elderly, but there is a challenge: we need to ensure that the scheme is designed transparently and fairly, and that there is fairness between groups of policyholders as well as between policyholders and taxpayers. The commission should look at where priority payments should be made, but I am wary of the question of how we can make interim payments to people on a sound basis that will not lead to further problems later. I take on board my hon. Friend's point, but there are some challenges in taking the idea forward.

A key issue for many policyholders and Members of Parliament is how much the scheme will cost. As the ombudsman said, it is appropriate to think about that, and we will consider the potential impact on the public purse of any scheme, and what is affordable, before we decide how much we can allocate to the scheme. We will ensure that fairness is at the forefront of our thinking when making those difficult decisions.

I would like to take a moment to mention the excellent work of EMAG, which has campaigned for many years for a fair resolution to the matter. In opposition and now in government, I have met members of the EMAG board, who have relayed to me their concerns about the Chadwick process. I will say to hon. Members what I said to them: Sir John is only a building block in our approach, and I am willing to listen to EMAG and other interested parties who can give useful and productive insight into this complex issue.

I remind hon. Members that no final decisions have yet been made on many of the important issues associated with the scheme. I want the decisions to be in the best interests of policyholders and taxpayers, and I encourage EMAG and others to be involved so that we can move the process on and find a resolution, for which policyholders have waited for many years.

I will give more details on our approach and the next steps in the process when Sir John Chadwick's final report is published, but I can confidently say that we are moving towards our objective of resolving the issue. We are now reaching a crucial stage in the story of the Equitable Life payment scheme. What happens in the coming months will be decisive in laying out how the scheme operates and the quantum of payments that will be made to policyholders. I encourage all MPs to engage in the debate. This is certainly an issue that we must get right.

1.26 pm

Sitting suspended.

Ministry of Defence (Statistics)

1.30 pm

Angus Robertson (Moray) (SNP): I am pleased to have secured this debate on Ministry of Defence regional and national statistics, because as we speak the strategic defence and security review, which is looking at the shape and role of United Kingdom conventional defence policy, is under way in the MOD. Given the extreme financial constraints, we expect to learn about radical changes to the UK armed forces when the SDSR reports before the end of this year. The Royal United Services Institute expects a 20% reduction in manpower and a budget cut of between 10% and 15%. In that context, MOD statistics and facts relating to UK defence are key in informing the SDSR, as well as in holding the MOD and UK Government to account.

Although it is essential that the SDSR be driven by defence, foreign and security policy priorities, it must also be relevant to consider what defence footprint there has been and what there will be in the future. I fear that the SDSR will lead to large parts of the UK having no defence infrastructure, with fewer bases, reduced units and manpower, and severely imbalanced defence spending.

There are reasons to believe that Scotland, Wales, Northern Ireland and some English regions will come off worst. That worrying prospect is supported by past regional and defence statistics issued by the Ministry of Defence. In recent years, the MOD has confirmed that more than 10,000 defence jobs have been lost in Scotland and that there has been a defence underspend in excess of £5.6 billion. The defence underspend statistics for Wales and Northern Ireland in the same period are £6.7 billion and £1.8 billion respectively. No doubt, if the MOD provided regional breakdowns for the English regions those would show that other areas have also been badly disadvantaged.

Most shocking of all in an advanced modern democracy is that the UK Government have decided that, rather than explain the impact of their policies, manpower cuts and spending disparities, they will simply stop providing the statistics. I should point out that regional and national defence statistics are available in other countries. With a mouse click, one can access such information down to state level in the United States. In Canada, a nation with close parliamentary and military links to the UK, the Department of National Defence produces similar statistics, both at provincial and constituency level. Those and other countries think that it is right and proper to confirm their employment and spending decisions, and that clearly impacts on their policy thinking. Until recently, that was also the case in the UK, where the Ministry of Defence answered questions relating to regional defence employment and regional spending.

The MOD has confirmed that there are now 10,480 fewer people employed in defence jobs in Scotland than in 1997, which amounts to 1,880 fewer services personnel and 4,600 fewer civilian jobs in addition to the loss of 4,000 jobs that were supported by defence expenditure. Those are MOD statistics. That leaves the current uniformed contingent in Scotland roughly at around 11,000, which is less per head of population than the armed forces of the Irish Republic.

A series of parliamentary questions on defence spending has, until recently, been answered by the MOD making estimates of how much it has spent in each nation of the UK. That has been broken down by service personnel costs, civilian personnel costs, equipment expenditure and non-equipment expenditure, such as utilities and maintenance, and so on.

There is a complete MOD data set from 2002 to 2008 that shows a significant and widening structural defence underspend relative to population in Scotland: it has increased from £749 million in 2002-03 to £1.259 billion in 2007-08, which represents a 68% increase in six years. Between 2002 and 2008, the underspend in Scotland totalled a mammoth £5.6 billion. Between 2005 and 2008 there was a drastic real-terms decline year on year in the defence spending in Scotland: in total, the previous Labour Government slashed defence spending by £150 million in those years. There was a 3% cut in defence spending between 2006-07 and 2007-08 in Scotland. Those are MOD statistics. Widening the statistics to include Wales and Northern Ireland, in the six years from 2002 to 2008, there was an accumulated underspend of £14.2 billion. Looking at the overall trend, in Scotland and Wales in each of the past six years the underspend figure has gone up faster than the overall budget of the MoD, highlighting a situation that is getting progressively worse, squeezing each country more each year.

Although the MOD budget has not increased every year in real terms, figures on the percentage change from 2002 to 2008 show that its budget increased by 24%, but the underspend increased by more than 50%. In each of the past five years, the amount spent in Scotland, Wales and Northern Ireland combined has been less than the UK spends overseas. Money spent overseas does not include current operations, such as Afghanistan, and the like. For example, a larger contingent of troops is stationed in Germany than is based in Scotland, Wales and Northern Ireland combined.

These facts are shocking and they pose problems for the MOD to answer. *Hansard* shows that despite numerous attempts to get Ministers and Prime Ministers to explain the underspend and jobs cuts, no explanation has been forthcoming. Instead, the MOD hit on the novel idea of simply not answering the questions any more. In 2009, tucked away in a report, the MOD confirmed that:

> "Ministers have agreed that after this year (2009) the Ministry of Defence (MOD) will no longer compile national and regional employment estimates because the data do not directly support MOD policy making and operations."

On 6 April, the then Secretary of State for Defence provided what turned out to be the last parliamentary answer on defence expenditure in Scotland. He explained:

> "Since 2008 the MOD has not collected estimates of regional expenditure on equipment, non-equipment, or personnel costs as they do not directly support policy making or operations."—[*Official Report*, 6 April 2010; Vol. 508, c. 1200W.]

Rather than provide the information, which is readily available in the Ministry of Defence, the decision was taken just to stop providing it. Of course, that decision was taken under the Labour Government. I hope that the rhetoric in the public pronouncements about transparency and new politics by the incoming Government is matched by their openness.

On page seven of the coalition agreement, the Prime Minister and Deputy Prime Minister say:

[Angus Robertson]

"we are both committed to turning old thinking on its head and developing new approaches to government. For years, politicians could argue that because they held all the information, they needed more power. But today, technological innovation has—with astonishing speed—developed the opportunity to spread information and decentralise power in a way we have never seen before. So we will extend transparency to every area of public life."

Section 16 of that agreement, which is entitled "Government Transparency", says:

"The Government believes that we need to throw open the doors of public bodies, to enable the public to hold politicians and public bodies to account.... Setting government data free will bring significant economic benefits".

Two specific commitments are mentioned. The Government say that, first:

"We will require full, online disclosure of all central government spending and contracts over £25,000";

and secondly:

"We will create a new 'right to data' so that government-held datasets can be requested and used by the public, and then published on a regular basis."

That is good. Given those clear, unambiguous commitments, I was delighted to hear similar claims of openness from the new Defence ministerial team during the House of Commons debate on the strategic defence and security review a few weeks ago. *Hansard* records that the new Armed Forces Minister, whom I welcome to the Chamber, said:

"Hon. Members—and everybody else—have the opportunity to contribute and make whatever representations they wish to make. If there are hon. Members who feel that they are under-informed, and want more information to inform representations that they might make during the review, they need only let us know. Ministers have an open-door policy, and Members are welcome to any further information that they feel they need."

That prompted me to intervene, saying that the previous Government had provided this information and asking whether the new coalition would do so. He replied:

"Yes. Whatever information right hon. and hon. Members need in order to make representations to the review".

I intervened to make doubly sure, asking,

"Is that a yes?"

The Minister answered unambiguously,

"That is a yes. Hon. Members need only ask for any information that they need." —[*Official Report*, 21 June 2010; Vol. 512, c. 132.]

Naturally, I was delighted and impressed, and I wrote a grateful letter to the Minister. I received a reply on the same day. In the blink of an eye, he wrote:

"I regret that I may have given you a misleading impression on what information the Government can provide... I am sorry to send you what I know will be a disappointing response".

In an instant, the Ministry of Defence reneged on its promise to the House of Commons and, by extension, the Government reneged on their coalition agreement on openness and transparency.

There are other vital clues that should make everyone who is concerned about a defence footprint across the UK examine the matter closely. Apparently, the UK Government believe that there is

"no clear defence benefit to be gained"

by collating statistics by region. Apparently, national and regional data do not directly support MOD decision making. Frankly, that is code for there being no benefit to the Government from being open, honest and transparent about their policy decisions and how they impact on the nations and regions of the UK.

In recent years, UK Governments have cut back manpower, amalgamated regiments and closed facilities in Scotland. Since the last strategic defence review, defence jobs in Scotland have been cut while numbers have risen elsewhere in the UK. A mammoth multi-billion pound defence underspend has opened up and we hear from the SDSR that serious cuts are pending. Despite Scotland having fewer airbases and aircraft than our Scandinavian neighbours of comparable size, the SDSR is considering base closures. Despite only three Army battalions being based in Scotland, there are fears that Scottish-recruited units could be further cut and barracks closed. Despite the reduction in the number of conventional naval craft to a handful of minesweepers on the Clyde, there is an option to cut them still further.

Thomas Docherty (Dunfermline and West Fife) (Lab): The hon. Gentleman clearly knows his material and will be aware that published Ministry of Defence statistics show the vital role that the shipbuilding and refitting industry plays in many regions in Scotland. He will know the devastating impact that cancellation of the second aircraft carrier would have on the Scottish economy. Will he join me in congratulating the Labour and Scottish National party leaderships on Fife council, who have put aside their political differences, such is the importance of the shipbuilding and refitting industry to Fife and elsewhere?

Angus Robertson: I am delighted that SNP-led Fife council and the Labour Opposition are working as colleagues, because the matter is one of concern in Fife and on the Clyde, as well as in other parts of the country where a defence footprint remains. That is all the more reason why we need as many facts and figures as possible to understand the current situation and what it might be in future. The areas that I have mentioned are not the only ones to be affected; there are also questions involving military command functions that have recently been downgraded in Scotland, and apparently a further downgrading is being considered.

A real danger in the defence review is a further geographical concentration of the UK defence footprint away from Scotland, Wales, Northern Ireland and some English regions. Hon. Members should look where the current service headquarters are, where the main operating bases and garrisons are, where the main training facilities are, and where the defence budget is being spent, and ask whether the trend of geographic concentration will continue.

The Government may believe that they can hide the consequences of their centralising priorities and policies by refusing to publish key statistics, but it will be hard to avoid the facts on the ground. UK Governments have been content to recruit young men and women from across these islands and often to send them into harm's way. At some point soon, the MOD must ask itself whether it is acting in the interests of the whole UK. Defence policy is not just about strategic and foreign policy considerations, which must of course drive any review; it is also about the defence footprint, about where our personnel are stationed and about where defence resources are spent.

The UK Government must end the secrecy on regional and national defence statistics and the SDSR must consider the impact of its deliberations on the nations and regions of the UK. If it is good enough for other countries to do, it is good enough for the UK Government to do; if it is what is in the coalition agreement, it is what they should deliver on; and if it is what was promised in the House of Commons, it should not be reneged on.

1.45 pm

The Minister for the Armed Forces (Nick Harvey): Ministry of Defence national and regional statistics may sound a fairly obscure subject for a debate, so you can imagine my astonishment, Mr Amess, when I walked into the Chamber and found it packed to the rafters. I thought that there must have been some misunderstanding, and it was soon cleared up when hon. Members trooped out. Nevertheless, I congratulate the hon. Member for Moray (Angus Robertson) on raising the matter, which is clearly one about which he feels keenly. He demonstrated that the crux of the matter is not statistics. Rather it is in the size and structure of our armed forces and how we go about equipping them. The subject could hardly be more serious.

The hon. Gentleman clearly feels strongly about the matter. He has two major RAF operating bases in his constituency, and a significant number of his constituents are armed forces personnel. Clearly, he has done something to impress them at the last three elections because they continue to send him back as their MP. He has also spoken as his party's spokesperson on defence matters. That party is, of course, the Scottish National party, and because of its pursuit of independence for Scotland comes with a certain perspective of the world. He will understand that I do not share that perspective, and as Minister for the Armed Forces, I could hardly be expected to do so.

The hon. Gentleman has spoken forcefully about the implications for Scotland of how the defence budget is spent, but I and my ministerial colleagues are more concerned with the implications for the men and women in the armed forces. Let me be absolutely clear that the purpose of the defence budget is to maintain the armed forces so that they can contribute to our nation's security—the whole nation's security. Every pound that the MOD spends must contribute to the security of the United Kingdom. Decisions on where personnel are based, and on which contracts are let to which firms are based fundamentally and totally on what is best for the armed forces.

I fear that the thesis that the hon. Gentleman advanced is based on a completely false premise of how defence works—for example, the idea that a variation in the number of servicemen and women permanently based in Scotland is somehow related to Scotland's significance to our armed forces. That is simply not the case. The armed forces offer amazing opportunities to those who want to join, regardless of which part of the United Kingdom they come from. Scots may join any part of the Royal Navy, Royal Marines, Royal Air Force, or the Army, and have a tremendous career. I am sure that the hon. Gentleman knows that even joining the Royal Regiment of Scotland does not mean that a soldier will necessarily stay in Scotland.

The 4th Battalion the Royal Regiment of Scotland is currently based at Fallingbostel in Germany. Its personnel would not appear in any statistics as being based in Scotland, but that does not lessen the battalion's connection with Scotland, or the contribution that it makes to Scotland's economy. Of course not. Scots serving in the various parts of the Army, the Royal Navy, or the Royal Air Force, but not necessarily based in Scotland, do not, in any sense, lessen the contribution that those Scots make to the armed forces. As the Secretary of State said recently in the House, the service personnel we meet do not care whether their comrades come from Cardiff, Edinburgh, Belfast or London. They are all members of the armed forces under the Crown, and proud of it.

The hon. Gentleman spoke passionately about patterns of defence spending. He referred to the defence footprint, and then alleged that there was a defence underspend in Scotland, but that is simply not the basis on which defence could possibly be organised by a Department with specific responsibility for the provision of defence of the entire realm. We have an interest in the defence footprint to some extent, but only in so far as it enables our military functions to be performed better. We must ask whether footprint is an issue in military terms, and whether it affects our ability to recruit from and defend the whole of the United Kingdom. That is the beginning and end of the Ministry of Defence's responsibility to consider the defence footprint.

It cannot be repeated often enough that every pound of the defence budget must deliver as much as possible for the men and women of our armed forces, and through them, our national security. As Minister for the Armed Forces, I make no apologies for seeing beyond where a firm is based and looking at the overall benefit to our service personnel. It is the duty of Government to ensure that the defence budget is spent wisely, maximising the resources available to the front line and ensuring that every pound counts.

Operating at a national UK level is the only way that we will achieve the best value for money and deliver what the armed forces need. That is what matters. The hon. Gentleman seems to propose a different method of spending the defence budget. He implies that there should be a quota for each region and nation of the United Kingdom. Perhaps he thinks that a set proportion should be spent in each region; perhaps a set proportion should be spent overseas. He seems to believe in a concept of a "fair share" to be calculated per head of population, and the implication seems to be that we should do that irrespective of the capabilities that it would provide for the armed forces. Surely he does not think that that would be a wise way to allocate the defence budget? If that argument is taken to the extreme and we look at regions where there are no defence manufacturers, the logic would suggest that we should artificially stimulate the creation of a defence manufacturer.

Thomas Docherty: Will the Minister give way?

Nick Harvey: With great reluctance, since the hon. Gentleman has not observed the normal courtesies

Thomas Docherty: Does the Minister understand that his arguments about making decisions based purely on defence would have more credibility in Scotland if the

[Thomas Docherty]

previous Conservative Government had not taken the Trident contract away from Rosyth and sent it to Devonport? That was not in the interests of the MOD or the taxpayer; it was about political chicanery.

Nick Harvey: I listened with interest to the opening speech from the hon. Member for Moray. His thesis seemed to be that the 13 years of the previous Labour Government had—according to the construct in his mind and his ideas about the fair divvying out of jobs and investment—counted against Scotland's interests. It is not my role or responsibility to defend the previous Conservative Government or any decision that they made. However, if the previous Government did what the hon. Gentleman alleges, one presumes that they did it according to their best calculation of how to act in the interests of UK defence. One might not necessarily agree with each and every decision that the Government took, but they took those decisions from that perspective. The Ministry of Defence's responsibility is the defence of the realm. Other Departments have responsibility for stimulating economic growth in different parts of the country. If hon. Members wish to form cross-governmental policies, they are welcome to do so, but that is not the purpose and locus of the Ministry of Defence. Our role is to secure the defence of the realm and to ensure that our armed forces are properly supported and equipped to carry out that function. There would be no sensible alternative way to organise our defences. Any alteration to that general approach would be a function of industrial policy.

I make no apologies for differing with the hon. Gentleman on that matter. We do not allocate money on a regional basis and it should be clear why the MOD stopped producing estimates of its regional expenditure two or three years ago. Quite simply, the estimates did not add anything to the decision-making process, given that that process was founded, fairly and squarely, on defence considerations.

The decision passed me by at the time—I make no bones about that. However, I can see no sinister motive, cover up or scramble to hide uncomfortable truths. The hon. Gentleman presents his concern as if it is part of some preconceived plot, but it seems from the time scale that the MOD had stopped gathering those statistics before it conceded the principle of a strategic defence review. The idea that one action went hand in glove with the other to mask the impact of the strategic defence review is far-fetched in the extreme. Let me return to my point: every pound counts. I readily acknowledge that those estimates may have been helpful to the hon. Gentleman in pursuing a political agenda, but they were not helpful to the Ministry of Defence in furthering decisions that had to be based on defence considerations.

The previous Administration drove down the cost of MOD head office by about 25%, which meant that the number of analytical staff in head office was reduced by a similar proportion. That was achieved by cutting some low-priority outputs, and one output deemed to have lower priority was the estimate of defence expenditure by region, and the employment dependent on that expenditure. That decision was made two or three years ago and I was not party to it, although I understand the logic behind the decision. By all accounts, the figures were difficult to produce and resource-intensive to maintain. They relied on analytical tables produced by the Office for National Statistics, which have not been updated since 1995. As I explained, that did not support the MOD's decision making.

I have looked into how much it would cost to reintroduce the estimates, and I am told that reproducing the ONS tables would cost in the region of £150,000. Every three years or so, another £100,000 would have to be spent updating the underlying data. Additional statistical staff would have to be employed to perform regular updates at a cost of about £50,000 a year. As much as I respect the hon. Gentleman, I agree with my predecessors that one struggles to justify that expenditure as being in the interests of United Kingdom defence.

The hon. Gentleman challenged me about the exchange that we had on the Floor of the House. I have already apologised to him unreservedly, and I will do so again today. I raised a false hope and expectation that production of the figures could recommence. I understood that he was asking me to stop suppressing some information held by the Ministry, and I agreed to his request on that basis. Had he explained in large letters that he wanted to recompile figures that had ceased to be complied two or three years ago, I would have looked into the issue more seriously before replying. My impression was that the information was still held and that the previous Government had chosen, for political reasons, to suppress it. I turned to the Secretary of State for Defence and asked what he thought about it, and he replied, "He can have whatever we've got." The hon. Gentleman can have whatever we have got, but we do not have what he asks for. It would cost a lot of money to get it again.

In conclusion, it would be a mistake to believe that we are singling out Scotland—I know that the hon. Gentleman feels that we are, but we are not. We are ceasing to produce such figures across the board. I would be interested to know whether he can point to any other central Government Department that goes to a lot of cost and expense to break figures down on a regional basis in that fashion. We cannot find any comparator in the ways that other Departments spend money on UK-wide projects, but if the hon. Gentleman can point to one, I will have another look. This debate should not be about competition between different parts of the UK. As far as we are concerned, it is about the security of the nation. We must spend our money on that basis, not on compiling the figures that the hon. Gentleman asks for.

2 pm

Sitting adjourned without Question put (Standing Order No. 10(11)).

Westminster Hall

Wednesday 21 July 2010

[MARTIN CATON *in the Chair*]

National Apprenticeship Scheme

Motion made, and Question proposed, That the sitting be now adjourned.—*(James Duddridge.)*

9.30 am

Richard Graham (Gloucester) (Con): I am grateful to Mr Speaker for enabling me to re-secure this debate. I am also grateful to him and many others for their kind reminders about its starting time, which, together with the help of three alarm clocks and several telephone calls from my wife in Gloucester, have ensured that this parliamentary apprentice has already rehearsed his speech in this Chamber this morning. I am sorry that the shadow Minister for apprenticeships, the hon. Member for Cardiff West (Kevin Brennan), is unable to be with us, but if he has any difficulties with a faulty printer, I am available to offer assistance.

It is important to hold this debate on apprenticeships, and I am grateful that the Minister, who knows the subject so well, is here to respond. It is telling that the majority of Members here are Conservatives. One irony of the past 13 years is that the previous Government could have done so much more to promote the importance and perception of apprenticeships. I have not found a single secondary school in my constituency that has made presentations on apprenticeships to its pupils, but they all worked assiduously on the previous Government's drive to get 50% of students into university—a target that was never achieved and which has thankfully now been dropped. That took place when the previous Government allowed manufacturing to decline at its fastest pace ever and youth unemployment to grow to its highest ever. Those sad facts are not unrelated.

Let us be clear about what is at stake. Without apprentices, our national and local capability to do and make things, and our ability to stem the decline in manufacturing and retain, if not improve, our status as the world's sixth greatest manufacturer will simply not produce results. Only 10 years ago, Gloucestershire manufactured 24% of its GDP; today, the figure is 16%. That is not because our service sectors have grown, but because manufacturing has shrunk faster than anything else. That is not acceptable. The situation must be turned around, and apprentices are the key, just as they are to reducing the 18%—almost one in five—of our 16 to 24-year-olds who are neither learning nor earning. If ever there was a time to support apprenticeships, not only in the manufacturing and construction sectors, it is now.

It is true that the previous Government did some rebranding and restructuring work on apprenticeships, and put some taxpayers' money behind that.

Alison McGovern (Wirral South) (Lab): The hon. Gentleman makes some interesting points about the previous Government's work, but is he aware that in the borough of Wirral between 1997 and 2008, the number of apprenticeships rose from 90 to 2,000? His characterisation of the past decade as one of no growth is, certainly in my area, a mischaracterisation.

Richard Graham: I thank the hon. Lady for her intervention. I recognise what she says. If she waits a second, I will cover that specific point.

The previous Government put some taxpayers' money behind their restructuring and promised to create 500,000 apprenticeships. I appreciate that, but it is also true that they missed that target, like so many others, by a very wide margin—about 50%. The restructuring broadly fitted the epitaph for his party given by the right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), who said that a day without a new initiative was a day wasted for new Labour. The idea of the restructuring was more important than the outcome. I will touch on that later.

I have a suspicion that the shadow Minister here today, the hon. Member for Wrexham (Ian Lucas), might try to distract us by referring to the decision by the Department for Work and Pensions not to extend the future jobs fund and to redeploy the cash as part of the Work programme. However, we are not talking about future jobs; in Gloucester, we are talking about placements in the public sector or quangos, which have kept people out of the unemployment statistics for six months and provided some useful skills, but which have not led to job offers. That is different from an employment contract for a serious three-year apprenticeship, which is what business wants.

It therefore falls to the coalition Government to recognise and restore the vital role of apprenticeships for future business growth in many sectors, increase the number of apprenticeships so that our record youth unemployment can be reduced and implement an expanded Government programme of apprenticeships in a much leaner, more flexible and user-friendly way.

David Simpson (Upper Bann) (DUP): I congratulate the hon. Gentleman on securing this interesting debate. The new coalition has announced 50,000 new apprenticeships over a number of years. Does he agree that those apprenticeships need to be relevant to today's needs and future needs, and that there need to be linkages with industry so that we can find out exactly what those needs are? The courses offered by universities and further education colleges also need to be relevant.

Furthermore, young people need easy access to apprenticeships. In Northern Ireland, they must be sponsored by industry—whether the building industry or whatever—to go into apprenticeships, but that is difficult today, and the financial reward is not what it should be. I trust that the new coalition will consider those points, and I am sure that the hon. Gentleman will agree with me on them.

Richard Graham: The hon. Gentleman makes a number of good points, some of which I am coming to. He is absolutely right that training providers need to tailor their courses to be most relevant to business needs.

That leads conveniently to my next point. The approach that the coalition Government should take is about not simply good management practice, but a political philosophy. I agree with the former Labour Minister, Lord Myners, who told the other House that his colleagues

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never understood the fact that the Government do not create jobs, but set, or fail to set, the framework in which businesses create jobs. I also agree with Oona King, who recently regretted that new Labour's belief in social justice counted for nothing if it forgot successful economic stewardship. Our mission is therefore to spread apprenticeships, which are critical to restoring the economy, and to boost social justice. There is no justice in increasing the number of those dependent on handouts. My city of Gloucester is a proud working city, not a centre of benefits, and apprenticeships are a major gateway to work and a better life.

Esther McVey (Wirral West) (Con): I want to pick up on the point about the Wirral apprenticeships raised by the hon. Member for Wirral South (Alison McGovern). Although we are doing well in Wirral, we are seriously over-subscribed. Last year, more than 1,000 young people submitted 3,117 applications to the fewer than 150 businesses involved. To move forward, we are looking to build on something that has done so well.

Do colleagues agree that although we are talking about apprenticeships, there is something that each and every one of us in the room could do? It is good to talk about these things, but we in Wirral West are about to embark on taking on political apprentices, and I know that other colleagues are doing the same. Former apprentices include Sir Alex Ferguson, Alan Titchmarsh, Henry Ford, Vincent van Gogh, Isambard Kingdom Brunel—

Martin Caton (in the Chair): Order. I am being indulgent with a new Member, but interventions should be brief. If the hon. Lady wants to make a speech, she should try to catch my eye.

Esther McVey: Thank you, Mr Caton. I was responding to what had been said.

Richard Graham: My hon. Friend makes a number of good points and anticipates brilliantly what was going to be my punchline.

Mr Oliver Heald (North East Hertfordshire) (Con): Will my hon. Friend say a word about the problem of girls? Two per cent. of apprenticeships go to girls and something needs to be done about it. Does he have any ideas on how to encourage girls to go into engineering, science, technology or mathematics?

Richard Graham: My hon. Friend began by asking whether I could do something about the problem of girls; on the whole, I would encourage them. He makes a valid point, as always, and I am also grateful to my hon. Friend the Member for Wirral West (Esther McVey) for pointing out the need for more apprenticeships in her constituency. I hope that many will benefit from the expansion of apprenticeships that the Minister has announced, which I shall encourage him to continue with in due course.

If Alan Sugar did much to bring the word "apprentice" to our TV screens, ours must be the Government who bring apprentices into many more large, medium and even small companies. There are different programmes of help for the young, emerging from three different Departments under the coalition Government: the Work programme from the Department for Work and Pensions, the national citizen scheme from the Cabinet Office, and apprenticeships through the Department for Business, Innovation and Skills. Those will require some cross-departmental co-ordination, perhaps through the new Cabinet Committee on social justice. The Minister may want to offer his thoughts on that co-ordination later, but today I shall focus on apprenticeships.

Alison McGovern: Business confidence is crucial for expanding apprenticeships and we are in a difficult and uncertain time, especially given the alterations to business support through the regional development agencies. What would the hon. Gentleman suggest to the Government to keep business confidence high in a period of uncertainty, and how could the Government fill the gap in work on skills at a regional level, as we move—perhaps—towards local economic partnerships, maybe in two years' time?

Richard Graham: The hon. Lady asks what I would do to boost business confidence. My feeling, as a former businessman, is that business confidence depends above all on a stable macro-economic situation. That is precisely what the coalition Government are pledged to restore, and I believe that they made significant steps forward with that in the emergency Budget a few weeks ago. Business confidence depends on that, and I believe that it is growing. That is reflected in several indicators, not least falling unemployment, at the moment.

Mr Heald: I do not know whether my hon. Friend is aware that Essex county council recently sponsored, I think, 140 apprenticeships to ensure that the engineering base will be maintained in the county, which is of course run by a Conservative authority. Is that perhaps an example to follow?

Richard Graham: My hon. Friend makes a good point and gives a striking example. My congratulations go to Essex county council.

Today's debate could have centred on the situation in my own city and the county of Gloucestershire, but I decided to widen it into a national debate, because the issues are mostly generic. Our experience in Gloucester can help to bring alive the national picture, and other hon. Members will supplement that with their remarks. I want to begin by discussing the value of apprenticeships, and I shall make suggestions about their status, the role of schools, the structure and measurement of administrative organisations, and the current types of apprenticeship, including matters of price and flexibility. I am grateful to the many organisations and individuals who have given me their time and thoughts.

When I was a boy, one of my favourite stories was that of the 12th century meeting, before their armies, of the giant Richard the Lionheart and the more slender Saladin. Richard showed his great strength by bringing down his enormously heavy double-handed sword to break in half a steel anvil. Saladin then tossed a silk scarf into the air and slashed it in two with his curved scimitar, with great strength of wrist. The important thing was that neither could have done what the other did. Both were remarkable. So it is with degrees and apprenticeships. I am quite incapable of fixing many things—including faulty printers, but also things under the bonnet of my car—and some of my friends who are engineering geniuses might struggle with essays and speeches. We need both skills, but it is absurd to rate the degree more highly than the apprenticeship, and the marketplace will often reward the practical skill more highly.

My key message to students, parents and schools in my constituency and more widely is that an apprenticeship, especially a higher apprenticeship, is every bit as much of an achievement as a good degree from a good university. I urge the Minister to direct the Department for Education to encourage all secondary schools to provide their students with presentations on apprenticeships from training providers, employers and apprentices themselves. Those presentations could start by making the important distinction that from day one apprentices earn to learn, rather than building up debt. They could spell out the differences between the second, third and fourth, or higher, levels of apprenticeship, which many people are unaware of.

I hope that the Minister will confirm that under this Government more status and recognition will be given to apprentices. I propose that we should create a national apprenticeship day to celebrate what apprentices have achieved and what they contribute throughout the country. A special stamp issue, for example, could commemorate some of the world's most famous apprentices, some of whom my hon. Friend the Member for Wirral West alluded to, such as Vincent van Gogh, Isambard Kingdom Brunel and Alexander McQueen.

As to the structure of Government bodies involved with apprenticeships, I am not absolutely sure that the previous Government's disbanding of one quango, the Learning and Skills Council, to create three, led by the Skills Funding Agency, just as the budget deficit began to reach record proportions, was the right move. I would welcome the Minister's comments on that. I believe that employers and training providers broadly welcome the National Apprenticeship Service, but I am sure that the administrative cost associated with the programme could be reduced. Perhaps he will say something about that too.

The structure is also very top-down. There is a quota system, parcelled out to regional offices of the NAS and from there to the shires—rather like the unloved regional spatial strategies in the planning sector—and constructed on the basis of historical demand, which is a bit like looking out of the rear window while driving. The system—in Gloucestershire, anyway—is inflexible. If training providers find that demand for one sector or age group has increased, and demand for another has diminished, they cannot swap or trade quotas. In an era when businesses can trade carbon emissions, it surely should be possible to trade apprenticeships, or to do away with the regional approach and give my county and others a sum of money for apprenticeships. The local economic organisation, which in our case is Gloucestershire First, and the NAS could decide how to manage it.

That leads me to the question of marketing, which in Gloucestershire is done by one employee of the NAS. That is ambitious and she depends on distributors, whose co-operation will vary without any direct, commission-style incentive. I sense that the quality of the NAS database and access to employers varies, and I believe that the service should work more closely with the local economic organisation to target and penetrate leading employers. That would be easier if the funds were controlled locally.

A related matter is penetration of the small and medium-sized enterprise market. The Department has figures that show that the majority of employers with apprenticeships are SMEs, but I believe that those figures are distorted by, for example, the number of hairdressers, and that take-up by members of the Federation of Small Businesses—5,000 of them in Gloucestershire—remains very small.

Many small firms, such as IT consultants, public relations companies or recruitment firms, could benefit from taking on apprentices as their order books expand again, but they are reluctant to get involved, for fear of bringing excessive paperwork into the office. The NAS should focus on the FSB and SME market, using examples of clients who have found that the business of taking on apprentices is not nearly as cumbersome as it might at first appear.

Will the Minister also consider breaking training provider courses into bite-sized chunks or units? That would be popular, especially with SMEs, which do not always need a complete training course alongside work-based learning. There is, effectively, a market for an apprenticeship-lite. My final suggestion on this theme would be for the NAS to consider the provision of courses in Gloucester relative to actual or likely high-growth sectors, as one or two hon. Members have mentioned. Examples might be green energy and even more conventional sectors such as real estate agency, which are not covered at the moment.

The NAS needs to talk to some of our newest and most entrepreneurial companies, such as Gloucester's Book Depository, which yesterday was awarded the Queen's Award for Enterprise as the UK's third-fastest-growing company. There is plenty more marketing to be done, and Gloucestershire First and similar agencies in other counties can and should help the NAS to gain access to it.

On pricing, the package of Government support is worth about three times as much for 16 to 18-year-olds as it is for those aged 19 to 24. What is the formula for arriving at that ratio? Does the Minister believe that it is right? Several employers have told me that they would like a level playing field for the various age groups. In some cases, as with the electrical engineering training specialist Clarkson Evans, it appears that health and safety requirements disadvantage employers who cannot take 16 to 18-year-olds. Under a flexible scheme, they could swap x 16 to 18-year-old places for y 19 to 24-year-olds. However, as I pointed out earlier, that cannot easily be done.

Although the cash value of Government support for apprenticeships is fixed, the price from the training provider and the salary from the employer vary considerably. That can be seen either as choice and market freedom, with the price being weighed against the service quality of the training, or as a distortion of the market that encourages market consolidation and might drive out niche private sector providers. My instinct is that we have a bit of both, which may not necessarily help the smaller players. One way around that would be to provide employers with more advice on apprenticeship quality.

Quality of delivery is hard to analyse. The NAS can offer some pointers, but it cannot offer much qualitative judgment; after all, the trainers are their customers. I would love to see a simplified Ofsted-like report on each training provider's apprenticeship training schemes, and their good and not so good points, just as I hope that the Gloucester-based Quality Assurance Agency

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will one day do something similar for universities. Parents could then see immediately on websites what was best and worst about universities and apprenticeship schemes. Choice is good, but informed choice on universities and apprenticeships would be even better.

Equally important is the way different bodies are measured. The NAS is proud of the fact that, at 79%, its success rate in Gloucester—I would put inverted commas around that term—is high for the south-west, and that the south-west has the highest in the country, up significantly from a few years ago. I consider such success rate measures misleading. First, this measures only how many of those who started apprenticeships actually finished them. The NAS has no involvement with the individual apprentice. Should a judgment be made on that measure—in reality, it is customer service—or would a better benchmark be success in persuading a higher percentage of employers to take on apprentices, and in cross-selling new apprenticeships in different sectors to existing clients?

We need effective sales benchmarks for the marketing arm, not customer experience ones, which are more relevant to the training provider. My recommendation is that the Government should reconsider the measurement of various organisations. If the Minister was looking for a third way, he could measure success on both sales and customer service criteria. The important thing, however, is that the current success criteria do not prove success. That, I am sorry to say, is very new Labour; it is like the future jobs fund, which should have been called the "keep me off the unemployment stats" fund.

I draw the attention of the House to one innovative way in which Gloucestershire has succeeded in stimulating employer demand for apprenticeships. Our newspaper, *The Citizen*, together with Gloucestershire college and other colleges, challenged businesses to create 100 new apprentices in 100 days. They succeeded, and will shortly launch the next "100 in 100" challenge. That marketing initiative has been copied in the south-west by related Associated Newspapers titles, and it could resonate elsewhere.

I invite the Minister to join the launch of the next "100 in 100" challenge to see the wide range of companies, from many sectors, that are interested in apprenticeships—they range from hairdressing to engineering—and which are encouraged by our local newspaper and our leading further education college. The launch will also give him the chance to show that the coalition Government are doing more with less. Last year, the Minister with responsibility for apprenticeships and the Minister for the South-West were both present, but the coalition Government have dispensed with regional Ministers—something, I believe, that not even the shadow apprenticeships Minister would greatly mourn.

I realise that other Members wish to speak, so I shall summarise the main points of my argument. I hope that I have made clear our need for apprenticeships and my enormous support for them—and as many of them as possible. I would be delighted if the Minister said when we are to have the additional 50,000 apprenticeships that I and many others here today have welcomed. Does he agree that doubling our already strong commitment to 100,000 new apprenticeships—a figure that we had in mind during the election campaign, before the full truth of the previous Government's accounts was exposed—is a desirable goal, and might achieving it be possible over the next year or so?

I have raised questions about the number of quangos involved, who gets what budgeting quota, and how that is measured and against what targets. I hope that the Minister agrees that it is time to scrap the regional approach, and that we should devolve responsibility as soon as possible, giving training providers more flexibility and making apprenticeships more responsive to the marketplace and business demands. I hope that he agrees also that the NAS and local economic entities should work together, and that the NAS and the FSB should engage to ensure more apprenticeships in the SME market.

I hope that the Minister and everyone here today agrees that the impact of apprenticeships on youth unemployment can and should be striking. Gloucestershire took up 4,500 apprenticeships in 2009, of which the city of Gloucester had 1,200—almost the same number as the current record number of young unemployed. Doubling the number of apprenticeships would have a significant impact on those young people not earning or learning, with knock-on benefits for their families and communities, and probably a good effect on antisocial behaviour and the cost of policing and probation work. It would also contribute to growing business and tax revenues.

Lastly, does the Minister agree that apprenticeships are a genuine example of investment by Government and employers that can have a positive impact on the community in several ways? I believe that the combination of more opportunities provided by the Government and better co-operation from schools, with more courses and more flexibility, the transferability of unused quotas and a national apprenticeship day, would increase employer interest and make the future for our youngsters much brighter.

Reviving apprenticeships was a Labour idea, but it is for the coalition Government to sort it out, take it forward and make it work effectively, and to make the renaissance of apprenticeships a reality. That is my goal for my city of Gloucester and for Gloucestershire, and I intend to put my money where my speech is. I shall follow the example set by my hon. Friend the Member for Harlow (Robert Halfon) and hire an apprentice for my office in Gloucester, who will do a business admin course at Gloucestershire college. It is not often that we MPs have the chance to practise what we preach, but today provides such an opportunity.

9.57 am

Robert Halfon (Harlow) (Con): I congratulate my hon. Friend the Member for Gloucester (Richard Graham) on initiating the debate. The quality of his speech and the thoughtfulness of his remarks will be noted by the House. From what I have heard about previous Parliaments, I think that support for apprenticeships among my right hon. and hon. Friends, both here and elsewhere in the House, has definitely increased. I am grateful to my hon. Friend and to the Minister for allowing me time to speak today.

I spoke at length about apprenticeships in my maiden speech on 2 June. I said that one in eight adults in Harlow have literacy problems and that one in five have difficulties with numeracy. We have a huge skills deficit,

with nearly 4,000 young people not in employment, education or training. Harlow is one of the towns worst affected by that problem. I have come to the conclusion that education and skills are the real answer, but we need to transform the nature of vocational training and apprenticeships. If we give the young the necessary skills and training, we will give them opportunities and jobs. Expanding and improving apprenticeships is not just about economic efficiency based on pure utilitarianism; it involves profoundly conservative ideas—helping people to help themselves, the work ethic, opportunity and, most important, social justice. I have seen for myself the power of apprenticeships to transform lives.

I have two substantial points to make. First, a change in policy must be supported by a change in culture. Secondly, the pioneering apprenticeship scheme run by Essex county council, to which my hon. Friend the Member for North East Hertfordshire (Mr Heald) alluded, could, I believe, be replicated throughout the United Kingdom.

Despite the grand wishes of the previous Government, they made going to university their primary symbol of aspiration, and that came at the expense of vocational training. The right hon. Member for South Shields (David Miliband) says he wants 60% of all young people to go to university. Not so long ago, young people going to university would get their picture in the local newspaper—I was in my local paper for being only the second ever member of my family to do so. Now, youngsters are burdened with debt and struggle to find skilled jobs when they graduate, and some smart young people are beginning to recognise that a university degree is not always the right qualification—one size does not fit all. The problem is that apprenticeships lack cachet. There is no graduating ceremony, little institutional prestige and few opportunities to network and make friends. The social side of apprenticeship, too, does not hold a candle to that of attending university.

There is also a perception problem. Edge, the apprenticeship organisation, says that two-thirds of teachers regard their knowledge of apprenticeships as poor and that just one in four teachers recommends apprenticeships over higher education. As an MP, I intend to play my part in changing how we regard apprenticeships. I want a Britain in which apprenticeships are not just promoted by teachers, Government and businesses, but seen as the No. 1 option by both students and their families. I want being an apprentice to be as highly regarded as going to Cambridge or any other university.

This Government stood on a platform of change: people voted for change and they have got it. However, if we look closely at the policies of the coalition Government, we will see that they are also about conserving some of the great traditions of our history. Apprenticeships are just one such tradition. Records of British apprenticeships date from the 12th century. By the 14th century, they were flourishing and parents could apprentice their child to a master craftsman from the ages of 14 to 19; they would pay a premium to the craftsman and a contract would be signed. In 1563, the Statute of Artificers and Apprentices was passed to regulate and protect apprenticeships, forbidding anyone from practising a trade without first serving as an apprentice.

From 1601, parish apprenticeships were introduced under Queen Elizabeth's Poor Law. They were a way of training poor orphans—boys and girls—in farm labour, brick-making and running a 17th century household. The worshipful livery companies of the City of London were the apex of that tradition. They brought to apprenticeships not only rigour, but pageantry and cultural prestige, as we see in the engravings of Hogarth and the novels of Charles Dickens. To be a freeman of the City of London in a livery company was a higher honour than graduating from Oxford or Cambridge university. That is the sort of prestige that I hope this Government will restore to vocational training.

I should like to see a royal society of apprentices, rather like the Law Society or the British Medical Association, with a social and professional network similar to that provided by universities. As my hon. Friend the Member for Gloucester said, we should have an annual apprenticeships day in every local authority, which would build on the already successful vocational qualifications day. It would be like a formal graduation ceremony and act as a celebration of apprentices. In addition, the pageantry that is associated with traditions such as the freedom of the City of London could be expanded, localised and made appropriate for different parts of the British Isles. That would give apprentices a sense of civic pride in their area. Young school pupils would see the example of older apprentices and aspire to join their ranks.

In modern times, traditional apprenticeships probably reached their lowest point in the 1970s. By then, the universities were expanding hugely and apprenticeships were allowed almost to vanish. Margaret Thatcher's Government introduced NVQs—national vocational qualifications—in an attempt to revive the great British tradition. John Major took the policy further: in 1994, his Conservative Government introduced modern apprenticeships that were based on proper frameworks. The effort to restore apprenticeships has always been a key priority for Conservatives.

I am glad that the Minister has had the good sense to examine not just the zeitgeist of the past few years, but the 1,000-year-old history of apprenticeships in Britain. He is not alone. In the 14th century, it was good practice to employ apprentices from the ages of 14 to 19. Now, we have Lord Baker's university technical college, which will employ apprentices from the ages of 14 to 19. There is a lot to learn from the past, and the technical colleges will make a huge difference to young people across the country who want to pursue vocational education.

I am pleased to announce that a proper apprentice will soon serve in my Westminster office, placed at Harlow college and part-sponsored by Essex county council. The Essex county council wage subsidy for highly skilled apprentices is a pioneering and unique scheme that could serve as a model for local authorities across the UK. I encourage all MPs and Ministers to follow suit. I am pleased to learn that the Minister has decided to have an apprentice in his office.

In addition to providing a 50% wage subsidy for local apprentices in targeted industries, such as engineering and manufacturing, the Essex county council scheme funds apprenticeships in deprived areas and for lone parents returning to work. I urge the Minister to consider such a scheme. Essex county council has provided a blueprint that could be replicated by many local authorities around Britain. By way of an advert—I hope that you will allow me this, Mr Caton—Harlow college runs an

[Robert Halfon]

excellent course in business administration for apprentices placed in MPs' offices. If the Minister decides to have an apprentice, I will happily introduce him to the principal, Mr Colin Hindmarch.

In conclusion, I urge the Government to restore the prestige of apprenticeships and to consider whether local authorities can play a larger role in delivering targeted wage subsidies for apprentices, as Essex council does. On the prestige side, a great step forward would be the establishment of a royal society of apprentices, to replicate the vibrant social life of university, and a formal graduation ceremony for every apprentice. I hope that other hon. Members will have suggestions, too.

I welcome the advancement in policy. Despite the troubles we face, this Government have provided more funding for apprenticeships than has ever been provided in our long history. As I said, I want a Britain in which apprenticeships are seen as the No. 1 option by both students and their families. Funding, prestige and local flexibility will be important. We need to encourage local authorities to support the industrial needs of their area.

10.8 am

Margot James (Stourbridge) (Con): I congratulate my hon. Friend the Member for Gloucester (Richard Graham) on securing the debate. We have heard interesting speeches from him and my hon. Friend the Member for Harlow (Robert Halfon).

Let me start by reflecting on my days as an apprentice. Although it was not formally known as an apprenticeship—it was many years ago—I thought that I would mention it because I also had a degree. I am sympathetic to my hon. Friends' view that we should not regard apprenticeships or vocational skills as a second-rate alternative to academic qualifications; the two are not mutually exclusive. Indeed, the Minister with responsibility for higher education and science has stressed that one of the benefits of the national apprenticeship scheme is that it can be a transition into higher education. In my case, the reverse applied: I had already done a degree when I joined my father's company in Coventry, essentially as an apprentice to him and the firm. I had a very good secondment to the selling function for security systems, which provided good training for life in selling. I also spent a lot of time shadowing my father and learning from him directly as he bought and sold companies, dealt with banks, lawyers and other professional advisers, managed people and sought advice.

The skills that I learned in my father's company were invaluable to me when I set up my own business. That apprenticeship, which lasted only for about 18 months, undoubtedly enabled me to do well running my own company. However, I did what many companies fear apprentices will do: I left. That is why many companies, especially small and medium-sized enterprises, resist investing in apprenticeships. It is commonly believed that apprenticeships just build up skills for competitors. Businesses need to be educated about the benefits of investing in skills and about most people's inclination to remain loyal to a company that invests in them. Businesses must take some responsibility in this matter.

Several issues have dogged the past decade. My colleagues have mentioned the importance of manufacturing. Apprenticeships are fundamental to manufacturing, but it is important that young people understand that manufacturing is not just about plant, machinery and making processes work. These days, information technology is crucial, as is intellectual property. Manufacturing is a huge part of the knowledge-based economy. People who do not work in the sector tend to have a rather old-fashioned view of manufacturing, involving grimy factories—the very name for my part of the UK, the black country, implies it—but things have moved on hugely. In many cases, manufacturing is now high-tech, and apprenticeships are fundamental to the recovery of our manufacturing sector.

The Government are learning, as we must, from the last Government's problems with skills and apprenticeships. Train to Gain was not without success. Stourbridge college had record numbers of students in programmes, some of them in business. The trouble with the training offered was that much of it duplicated skills that young people already had. There was too much training at level 2 and not enough at level 3. That was not all the college's or the Government's fault; it was partly because business did not want to invest, as I said earlier. Level 2 was free, but level 3 required a significant payment. That is one challenge facing us as we go about making improvements.

My colleagues have mentioned the dreadful complexity of funding streams, which I fear has not improved. The Learning and Skills Council was one of the most shameful fiascos of any quango set up by the previous Government. I am sure that we are all familiar with the story, so I shall not dwell on it. However, to replace the LSC with three funding streams—the Skills Funding Agency, the Young People's Learning Agency and a plethora of local authorities—is a great risk. There is a good expression for it, which I forget. Stourbridge college must deal with three or four local authorities, not just one, because it has students from different local authority areas. The bureaucracy necessary to deal with all the funding streams is worrisome. I am sure that the Government are right not to rush to change the structure, but I hope that we will keep it under close review to ensure that the problems endemic in the previous Government's arrangements will not be repeated.

The other major issue is what I call the food chain. The budget started in the Department for Business, Innovation and Skills. It was then devolved to the Learning and Skills Council, then to colleges and then to other providers. The supposed beneficiaries—students and businesses—are right at the bottom of the food chain. The new Government's immediate action to reform the system by putting power in the hands of businesses and allowing money to follow the student will be a big improvement.

The final lesson to be learned involves the inflexibility of the previous Government's approach. Colleges were tied up in knots and companies could not access what they needed. For example, the managing director of an engineering company employing about 25 people—the Minister will be pleased to know that it was based in Lincolnshire—wanted training for the company's accounts staff. Only a couple of people were to be trained, as the staff numbered only 25, but the provider told the company that it had to supply a minimum of eight people or the course would not be viable. That was too inflexible.

I am delighted by some of the new measures, which I know will improve the system. I will return to those measures in a minute, but first I congratulate the Government on creating 400,000 additional training placements and 50,000 new apprenticeship placements. I hope that many of those will be targeted at sectors that need skills training, such as the green economy and information technology, which traditionally has a poor record of investing in apprenticeships. We should target investment towards those sectors.

Under the old system, not all businesses had the critical mass of people necessary to get apprenticeship support. The group training associations that the Government intend to set up will do an awful lot for SMEs in my area. Overton Recycling, a wonderful company in Stourbridge with a turnover of £5 million, wants to start to offer apprenticeships, but is a bit nervous about investing in too many straight away, as it does not feel that it has the infrastructure to support apprentices' needs. The group training association, which will bring together apprentices training in different companies and provide them and the companies with infrastructure and support, will be a great boon to companies such as Overton Recycling. I urge the local enterprise partnerships being set up to encourage businesses to take advantage of the new apprenticeship places.

It was marvellous to hear from my hon. Friend the Member for North East Hertfordshire (Mr Heald) about Essex council's work. I am proud that Dudley council has an apprenticeships scheme as well. In 2009, the council offered 50 apprenticeships in customer service, IT and other disciplines; some 90% of apprentices got their NVQ and 50% found full-time employment after the apprenticeship ended. I was delighted when my colleague, Councillor Adrian Turner, announced that Dudley council would offer 50 new apprenticeship places in the upcoming civic year.

I congratulate the Government on moving fast to improve dramatically skills, learning and apprenticeship policy. That is fundamental to the revival of manufacturing, as the revival of the private sector is fundamental to our country's recovery. The Budget will play a key role in encouraging the private sector. I am delighted to see the Department for Business, Innovation and Skills fitting so neatly into the Budget provisions and getting off to such a flying start.

10.18 am

Chris Skidmore (Kingswood) (Con): I thank you, Mr Caton, for calling me to speak in this important debate, and my hon. Friend the Member for Gloucester (Richard Graham) for securing it. I know that he feels passionately about the subject—so passionate that he has managed to secure two debates on it. I appreciate the opportunity to speak on this second occasion. I also thank the Minister for giving up his valuable time to reply to the debate.

I am sure that there is not one of us in this Chamber who does not believe that we should have more apprenticeships. The Minister has stated on the record that his ambition is to build a system that facilitates more apprenticeships in England than we have ever had. That is extremely welcome. I shall briefly explore what such a system might mean and how we can facilitate more apprenticeships. It will not be achieved by Government action alone or by taking a top-down approach; we must bring employers with us and encourage society as a whole to value apprenticeships.

I want to highlight the "100 apprenticeships in 100 days" campaign taking place in my local area in Kingswood, Bristol. The campaign, organised by the Bristol *Evening Post*, began on 17 June. At the first launch event, 100 apprenticeships were achieved within 100 minutes. That is a fantastic achievement, which I am sure the Minister will welcome. The editor of the *Evening Post*, Mike Norton, has already stated on the record that apprenticeships provide a

"highly flexible, highly effective work and training programme"

that we need more of.

It is clear that apprenticeships bring in new talent, ideas and passion to businesses. A Populus study shows that 81% of businesses stated that apprenticeships make their business more productive and 67% agreed that apprenticeships led to lower recruitment costs as a whole. We need to show businesses that it is in their interests to take on apprentices. It is not always a case of saying, "Let's give an apprenticeship to an apprentice for their benefit." The businesses, too, can benefit. Apprenticeships are a good step for young people and employers. I hope that society in general will move forward under this new Government and take on new apprenticeships.

10.20 am

Ian Lucas (Wrexham) (Lab): It is a pleasure to serve under your chairmanship, Mr Caton—possibly for the first time—and to have heard the speeches of hon. Members who have contributed to the debate. I am pleased to hear apprentices and apprenticeships being valued so highly by hon. Members from all parties. Such comments are something of a damascene conversion on the part of the Conservative party because, as the hon. Member for Gloucester (Richard Graham) said, reviving apprenticeships was a Labour idea.

It was a Labour idea because in 1997, after 18 years of Conservative Governments, the British apprenticeship was dead on its feet. The enthusiasm that we have heard from the Conservatives this morning was certainly not felt by the Conservative Governments between 1979 and 1997, who effectively sounded the death knell of apprenticeship schemes in the UK. Hon. Members should be aware of the tremendous record of the Labour Government in reviving the apprenticeship scheme within the UK. I am very proud indeed of the steps that were taken by the previous Government in re-establishing the importance and status of apprenticeships.

Chris Skidmore: Will the hon. Gentleman give way?

Ian Lucas: I want to make some progress at this stage, but I will give way in due course. I agree that we need to elevate the respect that people have for apprenticeships in industry and across the training field. However, the performance of further education colleges and other providers has improved dramatically over the past decade. The satisfaction rates of employers and learners have risen. Since 2001, about 3 million adults have improved their basic skills and achieved a national qualification and, since 1997, more than 2 million people have commenced apprenticeships, compared with the position

[Ian Lucas]

under the previous Conservative Government. Even more importantly, completion rates for apprenticeships have more than doubled.

The focus of this morning's debate is apprenticeships, but it is also important to mention the union learning fund, which is now worth £21.5 million a year. As a result of the fund, more than 23,000 union learning reps across the country are encouraging people to learn within their workplaces and develop their skills. That is what we all want to happen to improve the performance of UK industry. Those representatives helped nearly 250,000 workers into learning last year.

It would be remiss of me not to mention the highly successful transformation fund that supports adult learning. The fund has generated a marked increase in participation and there has been a huge investment of more than £2 billion into the Building Colleges for the Future programme, which has transformed the places in which people learn. In my constituency, through investment via the Welsh Assembly Government, Yale college has rebuilt its Bersham road site to enable it to help train apprentices equipped for 21st-century manufacturing. I hope that the Minister can reaffirm that all the schemes announced in the Building Colleges for the Future programme earlier this year will be going ahead. As manufacturing changes, it is important that colleges' facilities improve to equip modern apprentices for modern engineering, modern industry and modern work.

The impact of the capital investment in our further education colleges under the Labour Government is part of our proud legacy on skills. Not a single penny was spent on further education capital for colleges in the final year of the Conservatives' last term in office. Although the £50 million that the Minister has announced is very welcome, it is a one-off raid on revenue, not a long-term commitment.

Our White Paper, "Skills for Growth", was published last November. It set out clearly the skills challenges for the next decade and gave a clear set of proposals to meet those challenges, including an ambition to ensure that three quarters of people participate in higher education or complete an advanced apprenticeship by the age of 30. The proposals include the expansion of the apprenticeship system to build a new technical class, by doubling apprenticeship places for young adults; apprenticeship scholarships; and focusing the skills budget on the areas from which future jobs will come.

Chris Skidmore: Does the hon. Gentleman not agree that there is a huge gulf between the image and the reality of what happened under the previous Government? For example, the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown), the former Prime Minister, promised 500,000 apprenticeships, but the number of apprenticeships fell by 13,200 in 2006-07. Furthermore, between 2007-08 and 2008-09 there was a decrease of 7.5% in the number of 16 to 18-year-olds taking on apprenticeships. The reality of the figures does not match up with what was in the White Paper.

Ian Lucas: What is absolutely clear is that, under the Labour Government, there were far more apprentices than in 1997 and the apprenticeship scheme has a value now that it did not have at that time. Later in my speech, I will talk about some individual examples of young people and not-so-young people who have benefited from the progress made under the Labour Government.

I should say to Conservative Members that I am simply not going to allow the previous Government's record to be trashed in the way that the Conservative party is determined to trash it. The reality is that if it were not for the Labour Government, there would not be any apprentices at all in UK industry; the support that existed in 1997 was parlous in the extreme.

Chris Skidmore: Does the hon. Gentleman seriously believe that if it were not for the Labour Government, there would not be a single apprenticeship in this country? Is he willing to make that statement or would he like to retract it? The fact is that the number of young people not in education, employment or training has increased significantly—the figure is even higher than 1997 levels—to 837,000 in 2010, which is up from 618,000 in 2005. It is delusional to suggest that there would not be a single apprenticeship in this country and that apprenticeships would not exist if it were not for the Labour Government. In fact, youth unemployment skyrocketed under the Labour Government. He cannot deny that.

Ian Lucas: What I can say is that the Labour Government's approach to apprenticeships from 1997 was a marked contrast to that of the preceding Government, and that it placed far more emphasis on the apprenticeships scheme. I will come on to talk about some specific examples from my area of which I am personally aware and mention the individuals I have met who have benefited hugely from the apprenticeships scheme.

Richard Graham: Will the hon. Gentleman give way?

Ian Lucas: I will just make a little progress and then I will certainly give way to the hon. Gentleman, whom I should have congratulated on securing the debate; I do so now.

The White Paper's proposals included a joint investment scheme with sector skills councils, more national skills academies, skills accounts, user-friendly public ratings for colleges and providers, and better skills provision for those on out-of-work benefits. The promotion of apprenticeships as a priority in public procurement is important and we also wish to reduce the number of publicly funded skills agencies by more than 30. It is important that we make apprenticeship schemes as easy as possible for employers to access, and we need to focus resources on key economic strategic areas, so that we can make real progress.

The Labour Government have a strong record of achievement and the Labour party has a clear strategy for the future. I have heard the Minister speak many times of his passion for apprenticeships and I profoundly admire his rhetoric, so I hope that the Government will carry that through with real action. I hope that he will be clear this morning on whether he intends to follow the strategy set out in the White Paper or whether he intends to jettison it.

Richard Graham: The hon. Gentleman suggested earlier that the Conservatives had had a damascene conversion on apprenticeships. I suggest gently that if he looks at the Members on this side of the Chamber, he will see

that none of us was on any road in 1997, let alone the road to Damascus, as we are all new Members. It is rather telling that few Members from his party, old or new, have attended. Although we could argue about the role of the previous Government and their achievements on apprenticeships, does he not recognise that several positive suggestions for taking forward apprenticeships have been made today and that he might agree with them?

Ian Lucas: I do not wish to be churlish in any way and at the outset I welcomed the fact that the debate was taking place. I also welcome the genuine and sincere contributions that have been made. However, my political views were forged in the 1980s and 1990s and my perceptions were based on the Conservatives' attitude to manufacturing as I saw it in the north-east of England. I know that progress has been made in the apprenticeships scheme and I want to put that on the record, because we have heard a contrary view during the debate.

We have also heard from the Minister, who has been trying to soften the savage in-year cuts that the Chancellor has imposed on his budget by recycling £200 million from the skills budget into 50,000 apprenticeship places, costing £150 million—£3,000 per place. What kind of apprenticeship places will the Minister be able to get for a unit cost of £3,000? How has he costed those places, and what will be the breakdown by sector? He sometimes tries to give the impression that he is the first Minister ever to announce investment for extending apprenticeships, but the fact is that the previous Government rescued apprenticeships from the oblivion they faced under the Conservatives, who allowed the number of apprenticeships to fall to 65,000, with a completion rate of only one third.

Yesterday, I had the privilege of attending a reception for the Society of Motor Manufacturers and Traders in the House of Commons and of meeting young apprentices. Some were from General Motors at Ellesmere Port, some were from Toyota at Burnaston and some were from Ford at Dagenham. They were of varied ages and backgrounds, but they all shared a passionate belief in what they were doing and the part that they would play in the future of automotive manufacturing in the UK. It was an inspiring reception. I was disappointed not to see a Minister there, who could not only have met the apprentices, but listened to an interesting speech by Ron Dennis, from McLaren, on the future of UK manufacturing. Earlier this year, I attended the Airbus annual awards scheme, where the largest apprenticeships scheme in the UK was celebrated.

Justin Tomlinson (North Swindon) (Con): I, too, attended yesterday's reception and met some of the apprentices from Honda UK, whose head office is based in my constituency. For me, the telling point was that 85% of those who take part in that scheme end up in employment with Honda, and the majority of the remaining 15% find jobs elsewhere, potentially being paid more money. That contrasts with the number of graduates who are unable to find work, as all the newspapers have been reporting. That shows the value of giving people real applied skills with real job opportunities at the end.

Ian Lucas: The hon. Gentleman makes a valid point. To bring a little local experience to that observation, I should say that a successful scheme is operating at the Airbus factory in Broughton, close to my constituency. It is very attractive to young people in their teens who are still at school, whether they are capable of going to university or not. I know young people who are perfectly capable of going to university, but who have chosen to go through an apprenticeship programme because they regard it as the best way of developing their future careers. The scheme has been taken forward by combining study at further education colleges with development of that study through a foundation degree at a local university, and there is the added bonus of earning, which for many young people is preferable to incurring debt.

One point on which we can all agree is that apprenticeships need to be valued and their status recognised. The hon. Member for Harlow (Robert Halfon) made the interesting suggestion that there should be a royal society for apprenticeships, which is a good idea. The level of expertise and skill required by many apprentices to carry out their jobs is entirely equivalent to that acquired through a degree. Larger companies, such as the car manufacturers I met yesterday—I have visited Honda in Swindon, which was an interesting experience—are doing a great deal to support apprenticeships.

The real challenge lies with smaller businesses, and that is the most difficult area on which we should concentrate. We need to carry forward the good work that has been so successful with many of the large investment companies that I have mentioned, develop it and learn the lessons so that we can extend the apprenticeships scheme to smaller businesses.

Mr Robin Walker (Worcester) (Con): Does the hon. Gentleman agree that part of the problem with the apprenticeships scheme under the previous Government—I accept that there were many achievements—was that too often they were in a rush to increase the numbers and so approached large companies, particularly in retail and catering, that could easily transform traineeships into apprenticeships to get the numbers up? We must do much more to reach smaller companies, particularly those in manufacturing, such as Aeromet, an aerospace company based in my constituency, whose representatives I met yesterday. They told me that they had not been approached by central or local government at any time about apprenticeships and that they would like to learn more.

Ian Lucas: We certainly need to work hard with smaller companies to develop apprenticeship schemes, but there are good examples. I will mention another company in my constituency, Lloyd Morris Electrical. It is a small construction company that deals with electrics. It places great store by its apprentices and the training of its young people. There is a great appetite for apprenticeships among young people. Some of them could go to university but simply do not want to do so because they see their lives developing along an alternative route.

An important point was made earlier when we mentioned teachers and their attitude to apprenticeships. We need to give teachers a much more accurate and up-to-date representation of modern apprenticeships, and I mean that not in a particular sense, but in a broad sense. High-skill, high-technology and high-value jobs are involved, and teachers should encourage their students to follow them.

[Ian Lucas]

The Minister has made a commitment on apprenticeships, and I welcome his language, which contrasts, I am afraid, with what was said and done by the Conservative Government before 1997. He needs to be transparent about the details of what will happen in future and not pretend that his commitment is something that it is not. He hopes to announce the creation of 50,000 extra apprenticeships, giving the impression that they are new jobs for young people. First, it is one thing to promise apprenticeship places and another to deliver them—the devil is in persuading businesses, small ones in particular, to take on apprentices. I have often had that discussion with businesses in my area.

Priti Patel (Witham) (Con): Small and medium-sized businesses are at the heart of my constituency, creating something like 80% of local jobs in Witham. The hon. Gentleman spoke about small businesses. Having been in government, what practical measures would he recommend to enable small businesses to take on more apprentices? The small businesses that I speak to in my constituency are struggling and are fed up with the paperwork and bureaucracy associated with taking on apprentices.

Ian Lucas: I ran a small business myself and was Minister with responsibility for regulatory reform, so I do not like paperwork or bureaucracy—no one does, and every Government talks about reducing the burden.

We need to reduce regulations and burdens as much as possible. Saying that is easy, but doing it is difficult, because we have to be accountable for the use of public money. It is important that we should have a scheme tailored to what small businesses need, and that requires commitment by business. Businesses cannot expect such tailoring to happen by accident; they have to commit to working with providers and putting together an appropriate scheme that will be of benefit. That is what we need.

My first point was that it is easy to say that 50,000 apprenticeship places should be delivered, but that we need to get them delivered. Secondly, even if 50,000 places were supported, the Minister needs to guarantee that they will be quality places, helping those who need them most.

We need the Minister to be clear today and to answer questions about his plans. How many of the 50,000 apprentices does he expect to be new recruits and how many will be existing employees? How many will be under 25? That is an important issue. Those questions need to be addressed. Will he please respond to the question about level 3 and level 2 qualifications? Does he value level 2 apprenticeships? We need to look at the detail of what will happen. It is easy, when talking about apprentices, to talk the talk; what we need from the Minister is an assurance that he will walk the walk.

10.42 am

The Minister of State, Department for Business, Innovation and Skills (Mr John Hayes): Thank you very much, Mr Caton, and it is a pleasure to serve under your chairmanship. It is a pleasure, too, to participate in the debate secured by my hon. Friend the Member for Gloucester (Richard Graham), who cares about such matters deeply. I welcome the shadow Minister, the hon. Member for Wrexham (Ian Lucas), who is not in his normal territory but standing in for the shadow apprenticeships Minister, who cannot be here. I know how keen the hon. Member for Cardiff West (Kevin Brennan) says he is to debate apprenticeships and I hope that he will find the time to do so with me in due course.

The debate is timely. My hon. Friend the Member for Gloucester spoke at some length about why he, like me and the Government, is so committed to the apprenticeship programme. In his maiden speech on 9 June, he treated the House to a striking description of his constituency past and present, as well as announcing his intention to convene an all-party group on urban regeneration. Many of the issues that he and other hon. Members raised this morning spring logically from such commitment, because they are closely connected with the economic future of all our constituencies.

Like many other places up and down the country, Gloucester remains a city whose prospects depend in large measure on the skill of its people and the success of its businesses, in particular the small and medium-sized enterprises. I shall speak a little about the challenge made by the hon. Member for Wrexham in a minute. Before I do so, however, I will answer one other point made by him. I shall also try to respond to all the points made, although they are numerous. If I cannot do so, I will happily engage with hon. Members one to one and take up the matters not covered today.

The shadow Minister mentioned the White Paper and a strategy for skills. The Government are absolutely determined to build on the best of what the previous Government did. No Government are all bad or all good; they each have good policies, people and ideas. We will take the best of those ideas and build them into our strategy. I look forward to putting that strategy together over the coming months, on a highly consultative basis, but of course it will be coloured by the comprehensive spending review. The hon. Gentleman knows that Ministers are in discussion with the Treasury about spending constraints. The Government are determined that we should spend only what we earn as a nation, but he can be assured, as can this Chamber, that in that context I will make a vigorous case not only for skills in general but for apprenticeships in particular. Our strategy will have apprenticeships at its heart, so I am not by any means ignoring the important principles laid out in the previous Government's strategy; we will absorb the best of them into a plan for the future.

My hon. Friend the Member for Gloucester and others who have spoken understand, as I do, that apprenticeships must play a vital part in securing our economic future. In the latest year for which figures are available, more than 500 people started an apprenticeship in the city of Gloucester, in sectors as diverse as health and social care, retail and hospitality, catering, hairdressing, construction and engineering. I expect the National Apprenticeship Service and its local partners to increase still further the number and range of apprenticeships in my hon. Friend's city.

The belief that apprenticeships can play a major role in building the future of Gloucester and our nation as a whole is not founded on transient political fashion or a preoccupation with the zeitgeist, but on the evidence of centuries. To paraphrase Chesterton, education is simply the soul of a nation as it passes from one

generation to another, and apprenticeships are indeed time honoured, as hon. Members have described this morning.

I take the point made by my hon. Friends the Members for Gloucester and for Harlow (Robert Halfon) and others that the aesthetic of apprenticeships is critical. I have already made that point to my departmental officials. I am determined to ensure that the role of practical learning is elevated, in terms of its "prestige"—the word used by my hon. Friend the Member for Harlow—and we will look closely at the issue of local apprenticeship days.

We already have annual apprenticeship awards. I was at the ceremony last week and spoke with some eloquence—

Ian Lucas: Even though the hon. Gentleman says so himself.

Mr Hayes: Even though I say so myself. I was greeted with warmth and appreciation, because of the commitment that the coalition, of which I am a humble member, has made to skills and to apprenticeships in particular.

The important thing to emphasise when considering that aesthetic is that apprenticeships involve not only the crafts we think of when considering the craftsmen who built the great cathedral church of St Peter and the Holy and Undivided Trinity, but those in the modern economy. Growth industries mentioned by various hon. Members include the green economy, the IT industry and high-tech engineering. The whole range of advanced apprenticeships in advanced subjects in the modern economy will do so much to fuel our nation's recovery and future prosperity.

I have already had meetings with sector skills councils about such high-tech, high-growth areas, and with individual employers, missioning them to develop new apprenticeship frameworks and to make the best of existing ones. In that way, we will make apprenticeships, as described by the hon. Member for Upper Bann (David Simpson), relevant to businesses and current economic need, and exciting and seductive from the perspective of learners. That those sectors matter is absolutely right, as the hon. Member for Wrexham said. We will focus on those high-growth sectors because that is what we must do to feed national economic growth. We see our skills strategy as very much tied to our growth strategy. My Department, the Department for Business, Innovation and Skills, is after all the Department for growth.

Let me pick up some of the other points made by hon. Members this morning. There has been a welcome for the Government's conviction of the value of apprenticeships and the view that they should be an indispensable component of any effective and responsible further education system. There has also been an appreciation of the fact that we have put our money where our mouth is, and I am grateful for what the hon. Member for Wrexham said in that regard. One of the first things we did in government was transfer £150 million from Train to Gain to the apprenticeship budget. We did that because we know what competencies apprenticeships deliver, how long they take, how much they cost, and that they are valued by employers and supported by learners. Nevertheless, there are important questions to ask about them.

Our plan involves transferring resources from Train to Gain to the apprenticeship programme. That is a challenge for providers, which they have discussed with me and are willing to take up with relish. None the less, it is a challenge. It is important that the apprenticeships that evolve from that are meaningful and are the right product for employers, and it is absolutely right that employers buy into them.

My hon. Friend the Member for Kingswood (Chris Skidmore) said that such things cannot be managed from the top down but have to be built from the bottom up. We need to look at some of the supply-side reforms mentioned by various hon. Members, including my hon. Friend the Member for Stourbridge (Margot James), and how small businesses in particular are disincentivised from taking on apprentices.

We must ensure that the framework matches current economic need. The economy is dynamic. Perhaps, Mr Caton, I might be allowed, at a tangent, to give a short lecture in economics, as I believe that it will be relevant to the debate. As economies advance, they not only require greater skills but also become more dynamic. Skills needs become more dynamic, too, so it is critical that the skills system is as responsive and flexible as possible.

The best way to deal with that kind of economic change is to ensure that money and competence are devolved to the sharp end—to businesses and those who serve them in terms of training. That is why we are so determined to free up provision and to give further education colleges and independent training providers more flexibility and freedom to respond to employer need. Apprenticeships are at the heart of that, and I have had discussions with the FE sector, which welcomes the changes that I have recently introduced to free up colleges, and with independent training providers, who relish the opportunity in a more freed-up market to be more responsive to an increasingly dynamic economy. But let me move on from that short tributary on the subject of macro-economics that we have travelled up together back to the questions that have been put properly by hon. Members in the course of the few minutes that we have had to discuss apprenticeships.

It is important that we are absolutely certain about where apprenticeships are to be delivered and how. The hon. Member for Wrexham knows very well that we are talking about an average when we talk about £50,000. Some apprenticeship frameworks cost much more than others. An apprenticeship in hair and beauty, for example, will cost the Government less than an apprenticeship in aeronautical engineering, so we are discussing an average. In the end, such things must be demand-led. I cannot dictate exactly how many apprenticeships there will be in a particular sector at a particular time. The dynamism that I described earlier will dictate exact requirements for skills in particular parts of the country.

My hon. Friend the Member for Gloucester said that the programme is too target-driven. I have done some research on the basis of earlier discussions that he and I have had on the subject. I know that he is extremely concerned that there should be flexibility for the National Apprenticeship Service to respond to changing local demand. I assure him that we will not be rigid about setting unalterable targets, and in a meeting that I had

[Mr Hayes]

earlier today, just after my extremely luxurious breakfast in the Tea Room upstairs, I asked officials to look at those issues.

The truth of the matter is that the success of our plan will depend on our motivating—indeed, galvanising—businesses, and I will look at how we can help small and medium-sized enterprises. There is an argument for giving them particular support, both on supply-side reform and through a series of incentives. We spoke in opposition about an apprenticeship bonus to support SMEs in that way, but hon. Members will understand that we live in difficult economic times. We have inherited circumstances that no incoming Government would have wanted, and we have to see how we can deliver more for less. Nevertheless, I remain committed to the idea that, in particular sectors and for particular kinds of business, we need to have carefully tailored policies that help to make our ambitions for apprenticeships a reality. We must walk the walk and not just talk the talk, although I am immensely grateful for the complimentary comments of the hon. Member for Wrexham about my rhetoric.

I do not want to be too hard on the previous Government and, particularly as the hon. Gentleman is performing outside his natural brief—he is a full back performing as a striker today—I do not want to be too hard on him, either. Nevertheless, it has to be said that the culture of aspiration that apprenticeships should embody—the culture that they feed aspiration and satisfy economic need, which unites people across this House—was previously, unfortunately, swallowed up by a series of meaningless targets and inflated figures. The previous Government forgot Einstein's dictum:

"Everything that can be counted does not necessarily count".

And we had the curious business of confusion between level 2 and 3 qualifications. The hon. Gentleman asked me particularly about that.

Let me be clear: it is vital that we identify levels in a meaningful way. I am looking at building a progressive ladder of training, beginning with re-engagement for those who are outside the work force altogether—that might involve small, bite-size, modular chunks of learning as described by various hon. Members—running through to level 2. Of course, much level 2 training is useful and purposeful, but we would move to full apprenticeships at level 3. The idea that we are exploring is for foundation apprenticeships at level 2, full apprenticeships at level 3, and advanced apprenticeships at levels 4 and 5. We are working on and consulting on that kind of clarity, which I feel the previous Government did not deliver.

In addition, we need to look at the costs of what we deliver through the apprenticeship programme and the effects of how it is delivered. In these times in particular, we need to look closely at whether more money can be delivered directly to employers, as my hon. Friend the Member for Stourbridge suggested, whether we can be less bureaucratic about how we manage the apprenticeship programme, and whether that too can be made more cost-effective.

Yes, we are committed to the idea of apprenticeships as a route into further learning, whether that further learning is at levels 4 and 5 in a college or in an institution of higher education. My right hon. Friend the Minister for Universities and Science and I have worked together, hand in glove, for many years on these matters and share a view that the division between FE and HE should be more permeable, that the university sector can play an important part in assisting us with the elevation of practical learning, and that we do not need to see this as an either/or, as it is sometimes seen. He is the personification of how one can be both a practical achiever and an academic.

Esther McVey: Will the Minister give way?

Mr Hayes: I will, but then I must move to my exciting peroration.

Esther McVey: Does my hon. Friend agree that we will increase the status of apprenticeships by introducing the apprenticeship rate tied in with the minimum wage from October 2010?

Mr Hayes: That is a complex question which I would rather deal with offline, but my hon. Friend is right to say that we need to look at the rewards for businesses and the rules for individuals. People who do apprenticeships accept that they will not earn money while they are doing so at the rate that they might have if they were not training. However, the evidence from cost-benefit analyses carried out in 2007, as she will know, is that a person with an advanced apprenticeship is likely to earn £105,000 more over their working life than someone with a lower qualification. There is a sense that people get trained because they know that they will do better later.

I shall now move to my conclusion. Once again, I thank my hon. Friend the Member for Gloucester for drawing these matters to the attention of the House. As a distinguished historian, he will know that there was another Richard Graham, also a Tory, who was elected successively to represent Cockermouth and then Cumberland. He rose to become Lord President of the Council but, unfortunately, fell when he became involved in Jacobite plots. I hope that my hon. Friend does not fall, and that he continues to advocate the case for apprenticeships. He will certainly have my support. His position is in line with the Government's policy, as I can assure him and others in this Chamber—

Martin Caton (in the Chair): Order. We must move on to the next debate.

Offshore Financial Centres

11 am

Mr Mark Field (Cities of London and Westminster) (Con): As international organisations and major Governments seek to understand the cause of the global financial crisis, small international financial centres have repeatedly endured political attacks and misguided criticisms—from pejorative sniping about their being tax havens and offshore centres for avaricious bankers, to allegations that they provide secrecy jurisdictions for shady figures in the international business community. Those criticisms suggest that they are partly to blame for the shortcomings in the financial markets. The debate about the role of small IFCs has, to date, been remarkably one-sided, which is unfortunate as it demonstrates a fundamental lack of understanding about their function and the benefits that they provide to the wider global economy.

Before the United Kingdom and our global partners look to develop further rigorous international standards on financial regulation, it is critical that politicians and policy makers should formulate and implement policy in an informed, consistent and balanced manner, and vital that we should now take a dispassionate view of the offshore IFCs and look sensibly at the significant benefits that they can offer, both to our nation and the broader global financial system.

The UK has an almost unique position in the debate about IFCs. We have a constitutional relationship, through our Crown dependencies and overseas territories, with half of the top 30 offshore financial centres. With the Chinese Government successfully lobbying the G20 last month for both Macao and Hong Kong to be excluded from any OECD grey list on matters of tax transparency, it looks increasingly likely that the standards and regulations currently being formulated may be imposed in some jurisdictions yet overlooked in others. Not only is that incompatible with the need to find a global response to the formation of new financial regulation, but it risks undermining the UK's financial sector and the wider British economy, which is a major recipient of investment capital raised through small IFCs.

Some small international financial centres, such as Jersey and Guernsey, are used by the global financial community for various reasons, including political stability and a favourable economic outlook; familiar legal systems, often based on English common law; a very high quality of service providers; the ability to meet important investor requirements, such as a legal infrastructure to sell shares; a lack of foreign exchange controls that remove restrictions on the payment of interest of dividends; tax neutrality—not to be confused with tax evasion—which enables investors from multiple jurisdictions to ensure they do not meet multiple layers of taxation as funds pass through the global financial system; and legal neutrality, which ensures that no nationality is given special treatment.

For those reasons there has been a mutually beneficial relationship between the City of London, in my constituency, and many Crown dependencies and overseas territories. That is demonstrated not only by the massive capital flows between the two, aiding market liquidity and investment in the UK, but by the legal and constitutional similarities and the transfer of skilled professionals.

To give some idea of the scale of the capital flows, I should say that UK banks had net financing from Guernsey alone—one of the 30 top centres—of $74.1 billion at the end of June 2009. Unfortunately, because the public debate is largely myopic in respect of IFCs, these benefits are often overlooked or conveniently ignored, in part as a result of small IFCs' relatively low profile and partly because of a lack of seats on intergovernmental bodies that design global financial regulation.

There now needs to be a much greater understanding of the role and proven benefits provided by small international financial centres as part of the City of London's transaction chain. I therefore seek to dispel some of the popular myths that surround such centres. The first myth is that IFCs have a negative impact on growth in the global economy. In reality, many of the smallest IFCs are able to provide a stable, well regulated and neutral jurisdiction through which to facilitate international and cross-border business. Investment channelled into small IFCs will in turn provide much-needed liquidity, further investment opportunities, genuine competitiveness and access to capital markets for businesses and investors in both the major developed world and, increasingly, in countries with vast emerging markets.

The recent Treasury review of this area, undertaken by Michael Foot—not that one, Mr Caton—concluded:

> "The Crown Dependencies make a significant contribution to the liquidity of the UK market. Together they provided net financing to UK banks of $332.5 billion in the second quarter of 2009."

Those funds are largely accounted for by the up-streaming of deposits collected by UK banks to their UK head offices, including the nationalised or part-nationalised Lloyds Banking Group and Royal Bank of Scotland, as well as Barclays, HSBC, Santander and a number of building societies.

In addition to aiding capital flows, a report by the university of Michigan's Professor James Hines on the relation between IFCs and the world economy reveals that expanding investment opportunities through offshore centres leads to increased domestic investment and employment, creating jobs both at the financial centre and in the domestic economies.

Small IFCs play an important role in helping to allocate capital efficiently. To this end, they act as important financial intermediaries, matching the capital provided by savers in one country with the investment needs of borrowers in another. Although that has, understandably, led to concerns about "round tripping", in which capital is recycled through an offshore centre to give it the appearance of foreign investment and attract a more favourable tax regime, the experience of China and India throws those concerns into doubt, because both of those countries have removed tax breaks for foreign investment during the past decade and both have seen internal and inward investment continue to soar. As a major net recipient of capital flows from small IFCs, our firms in the City might suffer if they found it more difficult to access capital via the international markets.

A second myth is that small IFCs played a part in causing the global financial crisis over the past three years. Although it is convenient to blame offshore centres for causing the crisis, even those who work in the financial markets do not accept that small IFCs were a major cause. Last year, the Treasury Committee found that Guernsey did not contribute at all to global financial

[Mr Mark Field]

contagion. Indeed, it could be argued that the liquidity provided by the small IFCs was significantly positive for the UK during the crisis.

The third myth is that IFCs engage in harmful tax practices. The Foot review suggested that the potential for tax leakage from so-called full tax jurisdictions, such as the UK, towards low-tax or zero-tax regimes, is relatively limited. Although the TUC has argued that the tax gap created in UK Government tax receipts as a result of offshore centres is some £25 billion, the Deloitte report commissioned by the Treasury at the time of the Foot report showed that only £2 billion is potentially lost in tax leakage per annum. Foot also concluded that the real figure might even be lower than that.

Concerns about the UK's tax base being stripped by unfair competition have also been overstated. It is clear that the debate about tax competition needs to be properly redefined and any further policy initiatives need to protect the important principle of tax sovereignty, as well as adequately recognising the impact of tax regimes on the productive sector. The OECD has clearly warned about the detrimental effects of high corporate tax on productivity. In that regard, I welcome the moves to reduce corporation tax and peg capital gains tax. The recent attacks on the zero-10 tax regimes reveal a worrying trend, in which the sovereignty of independent states to set their own tax rates is undermined and high-tax countries seek to export their high tax rates around the world.

Economic models vary country by country. The adoption of a tax regime premised on the principles of lower tax burdens, efficient government and dynamic private sector activity is legitimate and some degree of tax competition should therefore be recognised as positive. Regardless of that, small IFCs have shown a willingness to engage with the concerns raised by their tax regime—for example, Guernsey and Jersey are voluntarily undertaking a corporate tax review to act within the spirit of the EU tax code.

A fourth myth suggests that small IFCs have a negative impact on transparency, regulation and information exchange. With the G20 placing tax transparency at the top of its agenda, understandably, small IFCs are actively participating in the expansion of the Global Forum on Transparency and Exchange of Information. Indeed, an International Monetary Fund review of Jersey's regulatory standards in September last year concluded that it was in the top division of financial centres, and gave it the highest ranking ever achieved by a financial centre in respect of compliance with IMF recommendations.

Mark Pritchard (The Wrekin) (Con): My hon. Friend makes an important point about tax transparency, and he also mentions capital flows. Does he accept that offshore centres such as the British Virgin Islands, which are on the OECD's white list and peer review group, have set the trend in many ways on transparency? The Government should recognise that, and that such centres help rather than hinder the UK's economy.

Mr Field: I agree, and that is greatly to the credit of the British Virgin Islands and other overseas dependencies, as well as some of the Crown dependencies to which I have referred. They have played an important role and led the way in the transparency agenda.

One of the great myths to have grown up is that small offshore centres do not benefit developing countries. Small IFCs have been accused of supporting capital flight out of developing countries, but the Commonwealth secretariat is publishing a new report this month to illustrate the importance of the role played by IFCs in helping developing countries, by enabling them to rent financial expertise from other countries while they develop their own financial centres. Crucially, they also offer investors greater protection of their property rights against domestic political uncertainty.

It is no exaggeration to say that without smaller offshore financial centres many developing countries would not secure key funding for project finance, which makes a substantial improvement to the lives of some of the most vulnerable global citizens. Furthermore, the financial action task force gives many IFCs a positive assessment in meeting its 49 rigorous recommendations on anti-money laundering and terrorism finance. Centres such as the Channel Islands perform better in fighting financial crime compared even with bigger countries such as France, Italy, the US or—dare I say it?— the United Kingdom.

Finally, the UK's Crown dependencies are often accused of being fiscally unsustainable. Again, nothing could be further from the truth. The debate within the UK Government has, naturally, been framed by events surrounding the collapse of Iceland's banking system. When the Icelandic banks imploded in September 2008, it quickly became apparent that the contagion would spread to British savers and ultimately to British taxpayers. Furthermore, the role of the Isle of Man as a core financial intermediary between British savers and Icelandic borrowers illustrated the UK's exposure to offshore centres.

However, the subsequent Treasury review went some way towards allaying the two main concerns. In particular, the worries over the fiscal sustainability of UK Crown dependencies proved to be massively overstated. Throughout the years, IFCs such as Gibraltar, the Isle of Man, Guernsey and Jersey, have amassed large budget surpluses while actively diversifying their tax base, as Foot recommended. Indeed, the Foot report commented on the fact that none of Britain's Crown dependencies has taken on significant levels of borrowing.

It is important that the G20 summit in Korea later this year is made aware of the beneficial role that small IFCs play in the global economy. Above all, we must stand up to misinformed or narrow views of the valuable contributions that small IFCs can offer to the world economy in terms of liquidity, efficiency, investment and economic growth. Let us make no mistake: ensuring that the voices of small IFCs are heard in Korea is very much in our national interest. If we look at the example of Jersey and its positive effect on the wider UK economy, we see that the island provides a conduit through which mobile capital from around the world can be aggregated and invested, primarily here in London.

Andrew Rosindell (Romford) (Con): My hon. Friend's speech is very welcome. People from overseas territories and Crown dependencies will thank him for raising these important matters. Does he agree that one issue that is always ignored, and which is linked to what he is saying, is that we, unlike other countries with overseas territories and dependencies, do not allow the Governments

or people of those territories any say in this place? They have no way of being represented or of speaking up for themselves. They depend on Members of Parliament to raise issues. Does he also believe that, as with other countries with overseas territories and dependencies, there should be some way for those people to be able to speak and to raise their concerns here, in the Parliament that makes laws on their behalf?

Mr Field: I have some sympathy with my hon. Friend's view. This debate is an example of the way in which we are to do that. If he is suggesting that we have a constituency, similar to the French system, that takes in Gibraltar, Jersey and Guernsey, I am sure that he would be only too happy to be a Member. Most people in Gibraltar already believe that my hon. Friend is the Member who looks after their interests. He makes a serious point, and the tremendous contribution that our Crown dependencies and overseas territories make to this country should not be understated. I hope that this debate plays a small part in addressing some of the myths that have arisen.

I want to speak about Jersey, which is a significant provider of administrative and legal services to international businesses that are active in the City of London and help to make it a more attractive place to do business. For example, Vallar plc successfully raised more than £700 million in an initial public offering in London earlier this month, and used a Jersey structure. That showed the respect that investors, professional advisers and companies have for Jersey as a jurisdiction. It also provides banking services to a large number of UK expatriates who are unable to access the UK banking system because they do not have a UK address.

The Crown dependencies also provide an important platform from which to learn about and access the British economy. For example, the Isle of Man acts as the No. 1 jurisdiction for the incorporation of Indian businesses listed in London, and has been identified by a Chinese Government economic unit as an important link in China's "going out" strategy in relation to Chinese businesses setting up in the EU.

The Isle of Man plays an important and symbiotic role in London's shipping and insurance markets, inter alia by having such a successful white list ship registry, as well as its fast-growing aircraft registry. Similarly, with satellite, space and film business, the Isle of Man brings into a British sphere of influence important strategic global businesses that might otherwise be drawn to a competitor such as Singapore, Hong Kong or the US. The Crown dependencies are keen to continue acting on this hub-and-spoke basis with the UK and adding value to Britain's international offering in a proper and transparent way.

Small IFCs desire fair recognition for their high regulatory and supervisory standards and therefore wish to make policy makers from all G20 member countries aware of their true operation, as well as allowing them an effective voice at the table. In that regard, it would be helpful if the Minister gave an indication of what measures the Government can take to ensure that the G20 process is more inclusive, and that policy prescriptions that aim to restore financial stability strike the right balance between the onshore and offshore financial communities and recognise the mutual interests that exist between the two. It would also be helpful to have an update on progress in meeting the Foot recommendations and information on the progress being made through EU and OECD efforts to assist the overseas territories in meeting their own international requirements.

In conclusion, too few people who now seek to impose rigorous regulation on offshore jurisdictions truly understand how those jurisdictions operate. They fail to understand their positive rankings of compliance with major regulatory standards or their beneficial role in promoting investment and growth in the widest elements of the global economy.

It is inevitable that Governments will attempt to prevent further financial crises from occurring—and so they should—and I fear that that will result in the development of global standards that may have an unintended impact on all jurisdictions. It is critical that politicians and policy makers should not depart from the need to formulate and implement policy in an informed, consistent and balanced way. When it comes to our naked self-interest, it would be foolish at this juncture if the UK ignored the proven benefits provided by small international financial centres as part of the City of London's world-class operations.

11.19 am

The Financial Secretary to the Treasury (Mr Mark Hoban): I congratulate my hon. Friend the Member for Cities of London and Westminster (Mr Field) on securing the debate and talking very clearly about the challenges and benefits that arise from offshore financial centres. He is right to highlight the UK's particular interest in this area. Crown dependencies and offshore territories that have a link with the UK form half the top 30 offshore financial centres, so we have an interest.

My hon. Friend is right to highlight the important link in retail financial services with the Crown dependencies. A number of hon. Members will have had correspondence from constituents or former constituents about the impact of the Icelandic banking crisis on them, because they had deposits in the Isle of Man with Kaupthing Singer & Friedlander (Isle of Man) or in Guernsey with Landsbanki Guernsey. We have an interest on that level because those places are used as centres for banking by expatriates and a number of people who want to place their money offshore.

It is also right to identify the significant links between these offshore financial centres and the City of London. My hon. Friend highlighted their importance as a mechanism for providing funding for the UK financial services sector: people place their money on deposit in offshore financial centres and then deals flow through to London. I was struck by the fact that in quarter 2 of 2009, as mentioned in the Foot review, $332 billion of funding was provided to the City of London from those centres. That shows their importance.

I am sorry that my hon. Friend the Member for The Wrekin (Mark Pritchard) is no longer in his place, as I am about to refer to the British Virgin Islands, which he mentioned in an intervention, saying that the BVI are on the OECD white list. We welcome the fact that offshore financial centres are keen to take steps to appear on that list and we would encourage more to do so.

My hon. Friend the Member for Romford (Andrew Rosindell) asked about representation in this place for Crown dependencies and overseas territories. Under the present Government, the imperial days of the Treasury

[Mr Mark Hoban]

are long gone. It is very much for the Foreign and Commonwealth Office and the Ministry of Justice to take responsibility in that regard, and I am sure that since the election my hon. Friend has not been slow in making his views known to Ministers in those Departments, either.

The financial crisis highlighted the need to protect our public finances. The Government have taken steps to deal with the fiscal deficit that we inherited, and we will follow that up with the comprehensive spending review in the autumn. However, that increased vigilance must run through everything that the Government do, and part of that involves pressing for high international standards that protect against the risks posed by jurisdictions that fail effectively to impose prudential regulation, tax transparency, anti-money laundering measures and standards on countering the financing of terrorism. At last year's G20 summit in London, leaders called on all jurisdictions to adhere to international standards in those areas. They called on the appropriate international bodies to strengthen peer review to assess jurisdictions' compliance with the standards and to consider possible counter-measures for those that fail to comply. It is important that the international standards are applied without discrimination, allowing all jurisdictions that meet them to compete freely in international markets.

Michael Foot was asked by the previous Government to conduct an independent review of British offshore financial centres, and he reported his conclusions last October. The aim of the review was to deal with concerns about the risks caused by the financial crisis to the Crown dependencies and overseas territories and, by association, to the UK. The report provided a health check of the economic sustainability and viability of the financial services sectors in the Crown dependencies and overseas territories. The message from the report was clear: offshore financial centres must meet international standards if they want to maintain active and trusted financial sectors. The challenge for offshore financial centres was to take greater responsibility for their economic future, demonstrating that they are capable of responding to financial stability risks, while strengthening their long-term commitment to meeting globally recognised standards—issues raised by my hon. Friend the Member for Cities of London and Westminster.

Michael Foot's report set out a series of steps that jurisdictions must take to ensure that they are inside the scope of international regulation and that they secure their long-term sustainability. To demonstrate their performance against international standards, British offshore financial centres were invited periodically to publish the details of their progress, setting out the international standards that they have met, covering tax transparency, prudential regulation and preventing financial crime, and the standards that they have not met, with details of how they intend to meet them in the future and how soon they expect to do so. We are talking about the setting out of clear benchmarks about what the territories should do and how far they are going in achieving those standards. That sends a clear signal that both we and the wider global community are interested in what they are doing. The more transparency there is about how much progress the territories are making towards those goals, the greater the acceptance will be of their activities in the wider global community.

Mr Field: I am also keen to ensure that the point is made robustly about capital flows. We have had a credit crunch quite recently and we may be facing another one with all the sovereign default concerns in Europe. The free movement and liquidity provided by IFCs is key. That case needs to be made robustly at a time when others are dismissive of offshore financial centres.

Mr Hoban: Indeed. My hon. Friend makes an important point. Adherence to the standards makes the case that offshore financial centres should be part of the global network of financial centres and that they are valued. It is also important to ensure that when people talk about offshore financial centres, the debate is proportionate and evidence based. That is the best basis for debate in the UK, EU and G20. My hon. Friend made important points in that respect in his remarks.

The Foot review recommended that Crown dependencies and overseas territories should have to meet key international standards on tax information exchange, financial regulation, countering the financing of terrorism and anti-money laundering. The review strongly recommended that British Crown dependencies and overseas territories need to diversify their tax bases in a way that helps to secure their long-term economic sustainability. My hon. Friend made the argument that a number of territories had already done that and had withstood the financial crisis.

Andrew Rosindell: My hon. Friend the Minister talks about long-term stability. Does he agree that any attempt to undermine the ability of Crown dependencies and overseas territories to be self-sufficient and to look after their own affairs would in the end rebound on the British Government, with the possibility that we would have to finance some of those territories, so it is vital that policies from here, from Brussels or from anywhere else do not undermine the ability of our territories to be self-sufficient for the long term?

Mr Hoban: My hon. Friend makes an important point, but what he refers to must be done within the context of adhering to the highest possible international standards. We need to ensure that that international framework exists and that the territories comply with it; otherwise they are open to attack by other nations. Yes, it is important that the territories are economically sustainable and are not dependent on the UK, but at the same time they must meet those international standards, and a number of territories have made quite significant progress towards that goal.

With regard to the sustainability of overseas territories, they were encouraged to improve the management of their public finances to ensure that they were well equipped to withstand unexpected economic and financial shocks without external fiscal assistance. We need to recognise the progress that has been made to comply with the standards. I understand that 28 jurisdictions—almost exclusively tax havens and offshore financial centres—have moved into the category of jurisdictions that have substantially implemented international standards on tax transparency. That shows that overseas territories are taking the measures seriously, and we encourage them to continue to do so. Over the next three years, 100 jurisdictions will be peer reviewed, which will be an important part of the process to give confidence in how the standards are being implemented.

I recognise the importance of the role that offshore financial centres can play. They are an important contributor to the City of London. They provide services to UK citizens, whether at home or abroad. However, it is vital that they comply with the highest international standards on tax transparency and dealing with terrorism financing and money laundering. Adhering to those standards would be the best safeguard for their future prosperity.

11.29 am

Sitting suspended.

Building Schools for the Future

[Mr James Gray *in the Chair*]

2.30 pm

Derek Twigg (Halton) (Lab): This is the first opportunity formally to debate the consequences of the announcement made by the Secretary of State for Education on 5 July about axing the previous Labour Government's Building Schools for the Future programme. There is widespread anger and disbelief among colleagues from all parties about the devastating impact that such a move will have on education provision in the communities that they serve. Proportionally, no community has felt the impact more than Halton.

My hon. Friend the Member for West Bromwich East (Mr Watson) intended to contribute to the debate, but he cannot attend due to unforeseen circumstances. He takes a particular interest in the issue. The announcement by the Secretary of State for Education will affect the following schools in my constituency: Ashley special school, Cavendish special school and Chestnut Lodge special school. Fairfield high school had been proposed for closure, but the Secretary of State decided that the programme should be stopped, due to a clerical error on the form. That decision was made in the same week that a party was held as a thank you to those people who supported the school over the years prior to its closure—another error. Saints Peter and Paul Catholic high school will also be affected, as will St Chad's Catholic high school, the Bankfield school—my former school—the Bridge pupil referral unit, the Gateway pupil referral unit, and the Heath school.

Three school-building programmes are pending review: Halton high school academy, which is not in my constituency, but in that of the hon. Member for Weaver Vale (Graham Evans); Grange comprehensive; and the Wade Deacon high school, which was to absorb those pupils who would have gone to Fairfield high school prior to its closure.

All the secondary schools in Halton have been affected, as have the lives of 7,300 children, together with their teachers, parents and the wider community. The dedication of staff and governors and the hard work of pupils has produced a marked improvement in GCSE results over recent years, making Halton one of the most improved areas in the country. Last year, 72% of pupils acquired at least five top grades, surpassing the national average, and for the second year running, Halton has achieved more than 70% attainment. That is a remarkable increase of 34% from 1998 results. The percentage of pupils in Halton who gained a minimum of five A to C grades at GCSE, including English and maths, has increased by nearly one fifth since 1998, from 24.7% to 44.4% in 2009. In one of the most deprived boroughs in the country, that is a spectacular result.

It is disgraceful that the new Conservative-Liberal Democrat coalition Government have taken a devastating axe to the vital funding for schools in Halton, which is one of four Labour-held constituencies among the six seats in England and Wales where school culls that go into double figures have been inflicted. We all remember how the previous Conservative Government left many school buildings dilapidated and crumbling, and the

[Derek Twigg]

Labour Government had to pick up the pieces and initiate the biggest school building programme in over a century.

Charlotte Leslie (Bristol North West) (Con): Although I appreciate the pain that is felt across communities due to the cuts that have had to be made, is the hon. Gentleman aware of some of the downfalls in the mechanism of the BSF programme and the local education partnerships that delivered it? I have heard representations from schools that have undergone rebuilding under BSF. They were concerned that 90% of the local education partnerships that delivered the programme were owned by the contractor, and therefore the interests of the local education partnership and the builder were those of the contractor, not of the school. Another concern was that the contractor operated at an overhead and profit level of 8% plus, as opposed to 4% on the market. Those concerns were raised by teachers and head teachers who saw money going not to their school but to contractors and consultants.

Derek Twigg: I do not try to pretend that the BSF programme was perfect. If the hon. Lady is patient, I shall deal with some of those issues later in my speech. She raises an important point.

It seems abundantly clear that many of the assertions made by the Secretary of State in his announcement of 5 July are plain wrong. First, his boast about the Government's determination

"to make opportunity more equal"

and

"to help the most disadvantaged pupils"—[*Official Report*, 5 July 2010; Vol. 513, c. 47.]

is laughable—well, it would be laughable if the consequences of his policies were not so tragically devastating to communities such as those in Halton that I represent. I fail to see how targeting the second smallest unitary authority in England, which serves the country's 30th most deprived area, with the worst cuts to the BSF programme in the north-west will bring any benefit to the disadvantaged. Will the Minister explain how the cull of 100 BSF projects, with a further 21 under discussion, in the relatively deprived region of the north-west—over half the projects affected are in Cheshire and Merseyside—constitutes proportionate, fair and decent action by the Government?

Mary Macleod (Brentford and Isleworth) (Con): Does the hon. Gentleman agree that if the Labour party had returned to government, it would have cut BSF funding?

Derek Twigg: We were committed to the programme as it stood, but a myth has been put around by the Government. With the loss of five new schools in Wigan, 10 in Blackpool, 25 in Liverpool and 27 across Greater Manchester, the only aspect of equality in the policies of the Secretary of State is the collective discrimination against the schools and colleges of the north-west. I also wish to challenge the Secretary of State's implicit view that the BSF programme is incompatible with prioritising the raising of school standards in pupil attainment and behaviour through the quality of teaching and learning.

Ben Gummer (Ipswich) (Con): On the hon. Gentleman's point about the policy commitments given by the previous Government, a commitment was made, but it was dependent on underspend—something that the Treasury has subsequently confirmed does not exist. Therefore, the policy was unobtainable.

Derek Twigg: We need to get to the nub of the problem. We can go back and look at who was responsible for the economic crisis, the world crisis and so forth. The Conservative party keeps trying to suggest that somehow this problem is down to the way that the previous Government managed the economy.

Mr Rob Wilson (Reading East) (Con): Will the hon. Gentleman give way?

Derek Twigg: I have not yet answered the last question. The permanent secretary in the Department for Education wrote to my right hon. Friend the Member for Morley and Outwood (Ed Balls) and clearly said that the money was there. He would have asked for a letter of direction if there had been any impropriety or problems with that, but he did not do so. That is the key point, and something that the Conservative party keeps trying to push, although it is plain wrong.

I would like to make some progress. It is self-evident that the quality of the built teaching and learning environment, which embraces school buildings and the state-of-the-art facilities that they should house, will have a bearing on pupil attainment and the quality of teaching.

Lyn Brown (West Ham) (Lab): Does my hon. Friend agree that alt ugh the cuts to the BSF programme are devastating, cuts to the information and communications technology upgrade are equally, if not more, damaging to the future of our children's education?

Derek Twigg: My hon. Friend makes an excellent point. I shall return to it at the end of my speech in some of the questions that I put to the Minister. He should not take my word on the situation, but should consider the findings of the 2010 school environment survey, conducted by the British Council for School Environments and the Teacher Support Network, in conjunction with the Association of Teachers and Lecturers. The report shows that 95.8% of teachers believe that the school built environment influences pupil behaviour, and over half felt that their surroundings had a negative effect. Investment in school buildings has had a more positive impact on teachers and learners, and such work must continue. That is evidenced by the fact that three quarters of teachers now regard their school as effective and adequate at providing an effective learning environment. That compares with two thirds of teachers in 2007.

Dr Mary Bousted, general secretary of the Association of Teachers and Lecturers, asserts:

"Teachers work incredibly hard to give their pupils a good education regardless of the physical environment, but it is much harder for children to concentrate if the classroom is too hot or cold or they can't hear properly. We can't stress enough that for teachers and children to teach and learn in an effective manner, school buildings need to be safe, clean, and inspiring."

I also draw the Minister's attention to last year's report by the Government's favourite auditor, KPMG, on the effects of the private finance initiative, which is

central to many BSF projects, on education standards. It concluded that student attainment is 44% higher in PFI schools than in conventional schools, and it built on an American report from 2002 entitled, "Do school facilities affect academic outcomes?" That report found that

"spatial configurations, noise, heat, cold, light and air quality obviously bear on students' and teachers' ability to perform. This can be achieved within the limits of existing knowledge, technology and materials; it just requires adequate funding, competent design, construction and maintenance."

In his article in *The Guardian* on 8 July, John Crace said that Michael Gove underestimates the impact of surroundings on school pupils.

Craig Whittaker (Calder Valley) (Con): I hear what the hon. Gentleman says about buildings and their impact on teaching and children. I also heard him talk of dilapidated and crumbling schools. I wonder what he would say to the parents and teachers at two schools in my constituency: Todmorden and Calder high schools' buildings are falling down and are among the five worst in the country. The local authority has spent more than £3.5 million in the last two years alone to keep them open. However, the previous Government's BSF programme did not apply to those schools because they attain too highly and are not considered to have deprivation. What would the hon. Gentleman say to my constituents?

Derek Twigg: I do not know about schools attaining too highly, but I shall mention later a couple of schools in my constituency in that regard. The fact remains that, during all the years in the 1980s and 1990s when the Conservative party was in government, schools fell into a state of ever more disrepair, because there was little money for repairs. When Labour was in government, at least £24 million was spent in my constituency on improving the state of school buildings.

In his statement to the House on 5 July, the Secretary of State referred to a BSF school from which pupils had been sent home because of bad ventilation, leading to the use of additional mobile air conditioners in the summer months. However, as a direct consequence of the measures that he announced this month, mobile classrooms, decades-old prefabs and the occasional shipping container that are either too hot in summer or too cold in the winter will not now be replaced with 21st century state-of-the-art facilities, leaving staff and students at dozens of schools dejected at having dilapidated classrooms after years of work on Building Schools for the Future.

The BSF cuts mean that Halton goes from being an authority with sufficient school places overall to one with insufficient capacity. They mean that an increasing number of children will have their lessons in mobile classrooms when they should have been in brand new schools. With Labour, it was building for the future; with the Con-Lib coalition, it is more like "Back to the Future" of the 1980s, with rampant ideological cuts and failing facilities in schools.

The Secretary of State justified his axing of Building Schools for the Future on the ground that it failed to provide value for money. I suggest to the Minister that precisely the opposite is true. Although the National Audit Office of March last year made some criticisms of BSF, on the question of value for money it said:

"The cost of the programme has increased by 16 to 23 per cent in real terms to between £52 and £55 billion, in large part because of decisions to increase its scope but also because of increased building cost inflation."

Tellingly, the NAO went on to say:

"The Department and PfS"—

Partnerships for Schools—

"have taken measures to help control capital costs so that BSF school capital costs are similar to most other school buildings programmes and cheaper than Academies built before their integration into BSF."

Graham Jones (Hyndburn) (Lab): My local authority is Lancashire county council, which has just lost Building Schools for the Future phases 4 and 5. The administrative cost of the £100 million programme for phase 4 work was £893,000. I return to the point that my hon. Friend made about politics. Does he agree that the comments made by Conservative Members are focused on the politics, not on the facts, given that £893,000 is less than 1% of £100 million and construction was due to start at the end of this year?

Derek Twigg: The focus should be that our children have been robbed of state-of-the-art school buildings. The fact remains that the money was there to carry out the programme, but the coalition Government chose, for ideological reasons, to put it towards free schools. It was their choice.

I return to the importance of the changes in my constituency. In Halton and across the piece, I suspect, the reduction in the number of school sites would have led to reduced operational staffing and running costs, allowing more money to be spent on improving pupil attainment and ensuring the high-quality teaching that the Secretary of State purports to prioritise. Indeed, Halton council was commended by the previous Government for the manner in which it approached the proposed reorganisation of secondary school provision throughout the borough, not least for achieving value for money. In Halton, significant costs savings have been achieved since the inception of the programme through the establishment of a joint delivery team with Warrington borough council. That enabled both authorities to share procurement costs, staff, expertise and best practice. At each stage of the BSF programme, the authority met the key milestones and used the lessons learned to reduce the time scale and milestones for the Warrington wave 7 programme.

Another key point is that, whereas the Secretary of State says that the money is not there and that BSF was badly bureaucratic, Halton borough council has shown that it can be done and that there are benefits.

Mr Rob Wilson: The hon. Gentleman seems to be living in a parallel universe in which no cuts would have been made under Labour. However, the former Education Secretary said in *The Sunday Times* that he would like to cut the number of heads and deputy heads by 3,000.

Derek Twigg: The hon. Gentleman is now quite an experienced Member and I respect him, but we have never said that there would have been no cuts. There would have been cuts. I put it to him that his Government said that they would not cut front-line education services, but what is more front-line than school buildings and the importance of improving them?

[Derek Twigg]

Going back to what was done by Halton borough council, the timeline for the programme has been reduced by 50% compared with the PFS standard. Efficiencies were also planned through the integration of multi-agency services within school facilities such as health, leisure and outreach services. A strategic approach to ensure that we moved away from a "patch and mend" model—the hallmark of the Conservative years—to an overarching model that considers condition, suitability and sufficiency is now in jeopardy.

The Secretary of State says that the Government remain committed to supporting capital spending in schools and has instituted a review aimed at ensuring that value for money is guaranteed through the process. However, he could not answer my written question of 12 July about when he expects the review to be completed. That is more evidence of a rushed decision. Investing in capital spending and culling BSF would appear to be an oxymoron of the highest order. I fear that, like their vague aspiration to replace the future jobs fund, the nation will be lumbered with another watered-down and ineffective alternative, published at a yet unspecified time.

Another feature of the ill thought out and rushed nature of the policy is the prospect hanging over local authorities of legal action by contractors following the termination of school building projects. Last week, I asked whether the Education Department intends to issue advice to councils that may face litigation. The Minister said that he would reply as soon as possible, so I ask him again whether he can provide me with an answer to that question. Again, it shows that this was a rushed, botched job.

As in the wider economy, the Government seem intent on choking growth and development, and the BSF cull will play its part. Although it is easy to recognise the physical benefits that will be lost due to the end of the building programme, added value benefits will also be lost that would have been a major boost for the local economy and would have addressed many of the social, economic and educational challenges faced by Halton and Warrington. Halton borough council has told me that a number of social, economic and regeneration initiatives had been developed within its BSF submissions. The management and ongoing development of those initiatives were fully costed and allocated within the local education partnership, and the generation of social and economic benefits would have given truly additional value. Some 500 jobs would have been created, whether directly or through the supply chain and so on, that would have been a most important factor in the process.

It is important to recognise how schools in my borough, such as Heath and St Chad schools, will be hit. They are expanding schools and would have had extra capacity, but that is now in jeopardy. Those schools will not be able to expand, despite their popularity, even though it is an important part of the Government's policy to recognise and expand such schools. That is also the case with Bankfield school, my old school, which will now have difficulty in expanding. As a result, yet more children will have to be educated in mobile classrooms, which takes us back to the conditions of the 1980s and 1990s.

Wade Deacon high school, which had a 100% pass mark for grades A to C last year, serves both disadvantaged and more prosperous areas. When it amalgamates with Fairfield school, which has been closed, it will face a difficult job managing the two sites. The situation is far from ideal; there are busy roads to cross and it will be hard to manage teachers' timetables. Under the BSF programme, the two schools would have been on one site. In another example, the Grange would have been an all-through school, catering for children between the ages of three and 16, with a number of schools coming together on one site. There will be major consequences if that school does not go ahead. There are significant public health and safety concerns—I mentioned Bankfield and the problems of moving between different school buildings—as well as a problem of insufficient capacity at other schools. Visiting schools in my constituency last week, I saw that profound impact of the decision on them.

Community access to schools has many advantages, not least in raising educational interest and encouraging adult involvement, which leads to the development of a better learning culture. In areas such as mine, where that culture has not always prevailed in many homes, community access provides a massive opportunity for improvement.

Charlotte Leslie: Does the hon. Gentleman recognise that problems were caused in many schools by the private finance initiative of the BSF programme? Communities have had to pay extra money, or there has been a lack of flexibility in their being able to use rebuilt BSF school facilities.

Derek Twigg: I can speak only for my own constituency. Having spoken to a number of head teachers in the past week, I found the exact opposite to be the case. Schools were being designed to bring in the communities and increase involvement, particularly through some of the wider initiatives. Schools in my constituency did not face that problem—quite the opposite.

Because Halton's population suffers some of the poorest health in the country, health is a top priority, which is why it was part of the BSF project. A lot of work was done locally to consider how better community facilities could be used to promote improvements in health and to tackle, for instance, the very high teenage pregnancy rate within the Halton borough. The social return on investment in terms of savings from reductions in the numbers of exclusions and of those not in employment, education or training, from welfare benefits and from improvements to mental health and community inclusion and cohesion—all goals the Government claim to aspire to and cherish—could amount to something like £34 million. Yet gone are the opportunities that have already consumed thousands of work hours and millions of pounds to create well designed, environmentally sustainable, Disability Discrimination Act-compliant state-of-the-art classrooms and facilities fit for purpose for the 21st century in schools in Halton and throughout the country.

I end with a few questions. What are the Government doing about the ICT funding that is part of the project? If the sample schools in my constituency were to get the go-ahead—that would be superb—they would get ICT funding as well, but what about the other schools that are not given capital funding to rebuild, after the Government's review is finished?

I also have a question about the terms of reference for the capital spending review—I hope that we will get some idea when that will report. Buried deep down in those terms is the requirement to look at regulations relating to school playing fields. The regulations are there to protect school playing fields, so can the Minister give a categorical assurance that no changes will be made that will make the sale of school playing fields easier, or is he content not only to steal schools out of the hands of children but to sell off their playing fields as well? Will the Minister guarantee a strategic approach to the school estate following the demise of BSF by delivering 21st century learning space in the schools in my constituency? BSF would have provided them with a 25-year commitment to continue to invest in their buildings.

The chaos caused by the various incorrect lists continues. The Department does not take a consistent approach to the different education authorities and schools. For instance, academies or their sponsors had five days to provide the information that was requested from them, whereas the sample schools were asked last Friday to provide the information this Monday. At 8 o'clock last night, my local authority had a phone call asking it to provide building condition information for one school by 8 this morning, and for another school at 8.20 am. In addition, the local authority was told that Partnerships for Schools officers would be in Halton today, taking photographs of the condition problems that had been highlighted. That just shows the continued chaos that we are having to put up with as part of the process started by the Secretary of State. Why have some schools been asked to provide condition surveys and others not? That is a simple question.

The Prime Minister says that he wants to change the image of his party and its policies, but the Liberal Democrat fig leaf is barely disguising a return to the nakedly ideological attacks against predominantly Labour-supporting areas. The full extent of the severity of the austerity cuts to be implemented by the coalition Government is only beginning to be realised by the general public. It is a sombre thought that it will take the destruction of buildings of hundreds of schools and colleges across the country to reduce to ashes the claims of the Conservatives and the Liberal Democrats to stand up for fairness, and with it their electoral fortunes.

2.56 pm

Tony Baldry (Banbury) (Con): The hon. Member for Halton (Derek Twigg) mentioned chaos. As far as the Building Schools for the Future programme is concerned, I very much hope that at some stage there will be an independent inquiry into the conduct of Ministers in the previous Labour Government; the more I hear about the scheme and the conduct of Labour Ministers, the more scandalous it all becomes.

A project that was originally supposed to cost £45 billion ended up costing £55 billion. The previous Government spent £10 million simply setting up the procurement vehicle for Building Schools for the Future before a single brick had been laid. One person received £1.35 million in consultancy fees. It is difficult to see how that sum can possibly be justified. A single individual in this project received more than £1 million.

Mr Iain Wright (Hartlepool) (Lab): Will the hon. Gentleman name the individual?

Tony Baldry: The hon. Gentleman who has just intervened was a Minister of the Crown in the last Government. Is he asserting from the Front Bench that no individual received more than £1 million in consultancy fees from this project? Is that what the hon. Gentleman is saying?

Mr Wright *indicated assent.*

Tony Baldry: So the hon. Gentleman is inferring that the Secretary of State, in putting that forward on the advice of officials, was misleading the House?

Mr Wright *indicated assent.*

Tony Baldry: What I am saying is what the Secretary of State asserted in the main Chamber last week. The hon. Gentleman is essentially asserting that the Secretary of State misled the House. Is that what he is saying?

Mr Wright: I am suggesting that not one single individual received the amount of money that the hon. Gentleman alludes to. It was a consultancy firm that received that money, following a wide range of different projects relating to BSF. It was not a single individual.

Tony Baldry: This is an important point. The hon. Gentleman is implying that the Secretary of State misled the House last week when he said very clearly, in terms, that an individual had received more than £1 million. I am confident that the Secretary of State would not have misled the House, either knowingly or unknowingly.

Mr Andy Slaughter (Hammersmith) (Lab): Will the hon. Gentleman give way?

Tony Baldry: Let me finish this point.

That is all the more reason why we need an independent inquiry into the BSF programme and the chaos in which the previous Government left it.

Mr Slaughter: Will the hon. Gentleman give way?

Tony Baldry: Let me finish my next points.

The money that went in consultancy fees could have gone into the front line. The BSF scheme took no account of the fact that, in many parts of the country, there is a real need for new school building as a result of the growing population. That is particularly true for primary schools, but the BSF project simply did not cover primary schools at all.

In the run-up to the general election, the previous Government sought to pretend that there was more money in the BSF programme, but they did so on the basis of hoping that they would get funds from the Treasury through the use of end-of-year flexibility of capital. It is becoming apparent, as the permanent secretary to the Department for Education has now made clear, that that was never properly cleared with the Treasury by the right hon. Member for Morley and Outwood (Ed Balls), then Secretary of State for Children, Schools and Families. The Treasury has said clearly that the right hon. Gentleman was playing fast and loose with that particular capital stream. The Treasury has made clear its opposition.

[Tony Baldry]

I would very much welcome an inquiry into what went wrong with the Building Schools for the Future programme and Partnerships for Schools under the previous Government. It is very unreasonable to attach any culpability to new Ministers for a grim situation that they clearly inherited and are having to deal with.

Banbury school, a large comprehensive in my constituency, was put into the Building Schools for the Future programme. Its principal has written to the Secretary of State and she has made her comments clear in local newspapers. I should like to share with hon. Members what she said in her letter to the Secretary of State:

"I wanted to write to support your decision to stop the vast majority of BSF projects currently under way, and for the reasons that you outlined. Whilst Banbury School was one of the last schools to be included in the BSF programme, nevertheless, the huge bureaucratic hurdles and ridiculous amount of wasted time in meetings with advisors and consultants, etc, means there could never be value for money for the investment...On an immediate positive note, both myself and our Senior Vice Principal now have days released from former BSF meetings, where we can spend time looking directly at our school, the needs of our youngsters and how we can support further improvement in standards."

Even the schools in the BSF programme thought that it was a bureaucratic nightmare.

Mr Alan Campbell (Tynemouth) (Lab): In 2009, North Tyneside elected a Conservative mayor with a Conservative cabinet, and one of the first things that they did was to review the BSF programme because they were concerned about bureaucracy, consultants and value for money. Is the hon. Gentleman surprised that they confirmed that they would continue with the programme in my constituency without any change whatever?

Tony Baldry: The hon. Gentleman can make his points—*[Interruption.]* No, the hon. Gentleman can make his points about his constituency because I am not in a position to cross-examine or test the evidence. What I am giving hon. Members is the primary advice—the primary evidence—of a principal in my constituency. Let me repeat what that principal said:

"bureaucratic hurdles and ridiculous amount of wasted time in meetings with advisors and consultants...means there could never be value for money for the investment."

With all due respect to the hon. Member for Tynemouth (Mr Campbell), I am content to take the advice of the principal of Banbury school on this matter.

Mr Slaughter: The hon. Gentleman was in a position to assert that a single individual received £1.35 million. He has been asked to name that individual. It appears from his comments that he was simply parroting what the Secretary of State said in the House. If the hon. Gentleman cannot name that individual, will he withdraw that accusation today?

Tony Baldry: The position of the Opposition on this issue is pathetic. They come to this Chamber with synthetic anger, having got the country and schools up and down the country into a real position of difficulty, and they then have the audacity to suggest—*[Interruption.]* No, they then have the audacity to suggest that the Secretary of State was misleading the House. That is what the hon. Member for Hartlepool (Mr Wright) has been saying.

I want to make it very clear to the hon. Member for Hammersmith (Mr Slaughter) that I will trust my right hon. Friend the Secretary of State for Education implicitly on this, because I do not believe that he would have misled the House on this matter. If that is the best point that the hon. Gentleman can make to defend the previous Government's being so incompetent that they gave more than £1 million to an individual consultant, it is a very sad situation.

The Secretary of State has made it clear that the present Government intend to continue to invest in school capital projects, whether they involve primary or secondary schools, either to ensure that the most dilapidated schools are repaired as quickly as possible or to provide extra school places where they are needed in areas of growing population. It would be helpful if the Minister gave us all an indication of how the Government intend to approach that. I think that all Government Members recognise that the Building Schools for the Future programme was a travesty of a scheme, but there clearly are schools that require capital investment.

It is clear, for example, that Banbury school, on my patch, still requires capital investment. It serves an area that includes a number of wards with a disadvantaged school population and it has some very mature buildings. I hope that the review that the Secretary of State has set up will make recommendations about capital investment that adhere to the principles of value for money and ensure that capital investment goes to the front line to benefit pupils and schools, not consultants. It would be helpful to have an indication of how the Government intend to invest money in school buildings in the future.

Another important point is that in the Building Schools for the Future programme, the previous Government simply ignored primary schools, although often in our constituencies it is in primary schools where the school population is growing. In counties such as Oxfordshire, there is a double whammy at the moment. The fact that the previous Government left our nation's finances in such a parlous state, with one pound in every four being spent on interest, means that it is increasingly difficult for county councils, through their schools capital programme, to allocate money for new school building projects.

For example, the Grange school in Banbury, which has a number of temporary classrooms, was hoping that it would be able to receive money from the county council's own capital programme. That is looking increasingly difficult, simply because there is not the money in the budget.

None of us in any way underestimates the difficult decisions that have to be made by Ministers. I hope that this Minister will not be distracted by the rather synthetic anger from those on the Opposition Benches, because they are the guilty men who have got us into this situation. Rather than coming to this Chamber and chuntering as they are this afternoon, they should be ashamed of themselves for the position in which they left our nation's schools and our nation's education.

No debate or contribution on education should pass without our remarking on the fact that 10 years ago, the United Kingdom was fourth in the world for the quality

of our science education; we are now 14th. Ten years ago, we were seventh in the world for the quality of our children's literacy; we are now 17th. Ten years ago, we were eighth in the world for the quality of our children's mathematics; we are now 24th. So we are talking about every area of academic endeavour over the past 10 years. It is not just the Building Schools for the Future programme that the Labour party left in a shambles, but educational standards as a whole. The present Government will have to sort out all that in the coming years.

Several hon. Members *rose—*

Mr James Gray (in the Chair): Order. We have about half an hour until the winding-up speeches and at least seven or eight hon. Members are trying to catch my eye. I therefore ask Members to be as brief as possible to allow others to speak. For the benefit of new Members, I point out in passing that it is helpful if Members write to Mr Speaker in advance of Westminster Hall debates, indicating their wish to speak. That makes it easier to work out who is to speak next.

3.8 pm

Mr Andrew Smith (Oxford East) (Lab): I congratulate my hon. Friend the Member for Halton (Derek Twigg) on securing the debate. Like him and like thousands of people in my constituency and millions throughout the country, I was appalled that the very first casualty of the Conservative and Lib Dem policy of savage cuts was investment in our schools. That will be deeply damaging to education and demoralising for students, parents, governors and teachers alike. It is also a big political mistake, because a lot of people who voted Lib Dem or Conservative were certainly not voting for that. In future, when people think of this Government, they will remember that the very first thing Ministers did was take the axe to our schools.

I want to highlight the casualties among schools in my constituency. Iffley Mead is a great special school. Ofsted rated it outstanding for care, guidance and support, and for personal development and well-being, and good in all other respects. The school anticipated the total replacement of outdated buildings, with state-of-the-art teaching areas for special needs, residential accommodation for looked-after children and respite facilities for families in need of additional support. People will find it impossible to understand why they evidently do not figure as part of the big society.

Cheney school, which is a community secondary, has been doing excellent work and has been building on an overall good Ofsted rating. It was looking forward to extensive rebuilding, including the replacement of science labs that were condemned as unsafe last year and which have now been closed. The school has significant numbers of children with special needs, for whom the current buildings, which do not have lifts, are not fit for purpose.

Lyn Brown: I am enjoying my right hon. Friend's contribution very much, and it chimes totally with what is happening in Newham, where the John F Kennedy special school is one of 14 projects to have been cancelled by the Conservative party. Is it not ironic that some mainstream schools will be far better resourced than some schools that cater specifically for special needs children, who are the most vulnerable children in our communities?

Mr Smith: Indeed. My hon. Friend makes a good point.

Cheney is a good school that serves mixed communities and gets great results. It is a specialist school in languages and leadership, but, to add insult to injury, it has now heard that its £250,000 specialist schools money is also being cut.

We have to ask what message it sends simply to hack support away from schools such as these. I can assure the hon. Member for Banbury (Tony Baldry), who has just spoken, that there is nothing synthetic about the anger of Labour Members or the teachers, students and communities affected. There has been no assessment or evaluation of schools' particular needs, and programmes are simply cut. Schools are now in limbo: they are told that Building Schools for the Future has been cancelled, yet they do not know what resources, if any, will be available to meet their pressing needs. That is a kick in the teeth for everybody who cares about those schools and who has been working hard for their success. What is the Minister's message to those schools for the future?

I would also like to press the case of Bayards Hill primary school, which is due for total rebuilding and which had primary capital grant approved a couple of years ago. The catchment area includes one of the most disadvantaged communities in my constituency, and rebuilding would be a huge boost to aspiration and confidence. The school's plans were all set to go, but they are now at real risk because Oxfordshire county council is looking at making huge cuts in all its programmes. I call on the county council to honour the pledges that have been made and to ensure that the project can go ahead.

This saga of school cuts is a shameful indictment of the priorities of the coalition Government, who are diverting resources from good schools with a proven track record and a clear need for investment to the damaging ideological experiment of their so-called free schools—let us remember that that is where the money is going. If the Government were listening to parents, teachers and governors, they would abandon this damaging policy now and reinstate investment in schools in our communities so that they could deliver the best opportunities and standards. If the Government do not listen, everyone will know in the years to come that the first big message from this coalition Government was that whereas Labour invested in the future of our schools and brought hope and opportunity, the Conservatives and Lib Dems brought cuts and despair. It is a tragedy that children's education is paying the price for the Government's monumental misjudgment.

3.14 pm

Jessica Lee (Erewash) (Con): I wish to highlight two key issues: the problems with the Building Schools for the Future scheme and the financial difficulties that the country is in. We have to place any discussion of future programmes for schools in that context.

We know that the financial crisis exists, and that has to be the background for our debate. Bennerley school, which is in my constituency in the east midlands, is one

[Jessica Lee]

of 151 schools that are up for discussion. It is a possible academy school; indeed, I have spoken to the relevant Minister to put the school's case on behalf of parents, teachers and our local community. In doing that, however, I am mindful of the context of the financial crisis that the country faces, and any decisions that the Government make will reflect that context.

I want to make three points about why the Building Schools for the Future programme is failing and needs to be looked at. The first relates to bureaucracy, the second to delays and the third to construction and design difficulties.

The Secretary of State summed up the design difficulties when he addressed the House on 5 July:

"One... school was built with corridors so narrow the whole building had to be reconstructed; another had to be closed because the doors could not cope with high winds. One was so badly ventilated that additional mobile air conditioners had to be brought in during the summer, and pupils were sent home."—[*Official Report*, 5 July 2010; Vol. 513, c. 49.]

Nobody here could possibly agree that that is a sensible use of public money, and such cases raise concerns about some of the design and construction that has taken place.

The Times Educational Supplement accepts that there has been a problem with the scheme. Although it is concerned about part of the programme coming to an end or being paused, it comments:

"BSF suffered from too much bureaucracy and wasted costs in the procurement process, and that should be addressed."

I agree with it on that point.

Professionals working in the sector also acknowledge and recognise the problems in the scheme. Sir Bruce Liddington commented:

"The current BSF programme is very bureaucratic, slow and unwieldy and I would welcome a review."

Oasis Community Learning commented:

"We welcome the review of the BSF programme as to learn lessons from past experience in order to find a better way of working for the future can only be a good thing."

The problems with the scheme are not to be underestimated, and some professionals have acknowledged that. Debbie Jones, chair of the Association of Directors of Children's Services, which has good first-hand knowledge of the issues, says of the programme:

"While the aims were sound, the process left a lot to be desired, embroiling local authorities and head teachers in some torturous bureaucracy and wasteful procedures and did not make the most of the expertise in local authorities in managing capital projects."

Again, that cannot be right, and we must address such problems.

Finally, if the point has still not been made clear, the Secretary of State set out for the House on 5 July the structure in place under the Building Schools for the Future programme. The process is quite long, and I hope that hon. Members can bear with me. It begins with the Department for Education. There is then the quango, Partnerships for Schools. Then there is another body, 4Ps, and Partnerships UK. Following that, local authorities set up a project governance and delivery structure, including a project board of 10 people, a separate project team of another 10 people and a separate stakeholder board of 20 people. They form the core group supervising the project. Then we have a design champion and a client design adviser—the list goes on and on.

I have said a few times that any programme of reforms must be put in the context of this country's financial state, and it never ceases to amaze me that Opposition Members appear to sigh, moan and raise their eyebrows when that point is made on the Floor of the House. However, we cannot ignore the position that our country is in. "There is no money." That was the note that was left; we all know that.

There are difficult decisions facing us. National debt is approaching £1 trillion and there is a budget deficit of £155 billion. The debt interest costs every year are more than the entire schools budget. This country must prioritise. The concern is that if Labour had formed the next Government, they would have turned their attention to jobs and that head or deputy head teachers' jobs might have been at risk. The coalition Government are looking elsewhere. I urge the Department to consider the merits of each school that is being reviewed, but I accept, on behalf of the school in Erewash that I mentioned, that that consideration must take place in the context of our limited budget.

A responsible Government must make hard decisions. I am in agreement with the steps that the Government are taking to review the BSF project for two reasons: it is responsible to take those steps in the light of the bureaucratic problems with the scheme, and because of the financial mess that has been inherited from the previous Government. On the doorstep during the general election campaign, Erewash constituents would often ask me why, since they must balance their household budgets, the Government cannot do the same. They have a point.

The new Government have real will and a bold, reforming programme for education: the academies programme, free schools and getting to grips straight away with the bureaucratic problems of Building Schools for the Future. Those are positive ways to start, because we need to set teachers and schools free and support them in making choices so that they can make the best decisions for their pupils and the future. The time for writing blank cheques is over. I support the Government in prioritising good teaching and sensibly-afforded programmes for building in schools.

Mr James Gray (in the Chair): I call Mr Chuka Umunna, and apologise if I have mispronounced his name. He may want to correct me.

3.21 pm

Mr Chuka Umunna (Streatham) (Lab): Thank you, Mr. Gray; you did okay.

I start by declaring an interest: two projects in my constituency have been scrapped and one hangs in the balance. The two that have been scrapped are the La Retraite and Bishop Thomas Grant secondary schools projects, and the one in the balance is for Dunraven school.

I have lived in my constituency all my life. I love my area and think that our young people are fantastic—they have drive and talent and want to succeed. I do not buy into the view that is often promulgated in the media that our young people are a problem. To answer the point

made by the hon. Member for Banbury (Tony Baldry) about so-called synthetic anger, that is where my anger comes from: there is nothing synthetic about it. I want to provide young people in my constituency with a platform from which to succeed. That is why I feel emotional about the topic, and if the hon. Gentleman does not get that, I am not sure he will get anything.

Damian Hinds (East Hampshire) (Con): Will the hon. Gentleman give way?

Mr Umunna: I will make some progress, if the hon. Gentleman will allow me, and perhaps take interventions a bit later.

Having declared my interest, I want to discuss the manner in which the BSF cuts were announced. I welcome the Secretary of State's apology, but that does not excuse the shabby, dysfunctional way in which he made the announcement on 5 July. One of the problems was that he came to the Chamber almost as if he were attending an Oxford Union debating society-type event. He made the announcement in a way that seemed to show no recognition or appreciation of the gravity of what he was saying, or its effect on communities such as mine. As for the content, it included massively sweeping statements about the BSF project, some of which we have heard again this afternoon. We were told, at column 49 of *Hansard*, that it was "dysfunctional" and "did not guarantee quality". It was portrayed as a wasteful programme, delivering second-rate buildings and facilities or, as I think the Secretary of State put it at column 48 on the same occasion, "botched construction projects". I do not think that any Labour Members would say that the BSF programme was perfect, or that every aspect of it operated perfectly, or that it was 100% efficient; however, big and sweeping statements have been made, and I want to know—I will be grateful if the Minister elaborates—where the overall evidence is to support those statements.

A National Audit Office report on the BSF programme was produced last year. Although it noted that initial timings and budgets were too optimistic, it found that BSF was delivering school buildings more cheaply than academies and other school building programmes, and it was making it easier for local authorities to use their capital funding strategically. The hon. Member for Banbury put a premium on what school principals say about the project, and I would not disagree with taking note of what school heads and principals say about it. PricewaterhouseCoopers published an evaluation of BSF in February in which more than four fifths of head teachers agreed that the programme would contribute to educational transformation in their schools; three quarters agreed that it had more potential to deliver educational transformation than previous capital investment programmes; and all the head teachers surveyed agreed that it delivered a more stimulating environment and tackled fundamental design issues in schools. That is the overall evidence.

There are examples in my constituency of the BSF programme being very effective and highly successful. They undermine and contradict the overall view put forward by the Government and the Secretary of State. One example is Elm Court school, a special school in the Brixton area. An old Victorian building was transformed into a modern learning space, with fantastic new facilities including a theatre, a drama space and multi-use games and sports areas. The young people love it. Again, I ask for the evidence for what the Government say.

The lack of evidence calls into question the coalition's motives for the announcement that they have made. They have said that the money being taken from the programme is not being diverted into free schools, but do they not accept that it adds insult to injury when the parents and teachers in my constituency, whose schools are affected by the cuts, see all that money being ploughed into the Secretary of State's pet project, the free school model? The hon. Member for Erewash (Jessica Lee) mentioned the structural deficit, which tends to come up every time we talk about anything relating to resource. [HON. MEMBERS: " Of course it does."] Okay, I accept that, but one of the ways of dealing with the deficit is to bring about growth. That is ultimately the best way to eradicate the deficit, in many respects. Why take investment away from the people to whom we are looking for the growth of the economy in the future? It does not make sense to me.

Above all, although I accept that BSF may not operate perfectly—the hon. Member for Erewash outlined the process—why not review and reform the process? Why sweep away an entire programme? I do not know whether there are any Liberal Democrat Members in the Chamber, but I cannot believe that they are going along with what is happening.

Mary Macleod: Does the hon. Gentleman realise that the Government are reviewing what is currently in the programme? If he accepts that the programme was not perfect, he should welcome a review to ensure that the capital funding that is being provided is spent in the right schools.

Mr Umunna: I argue that we need to wait until after the review, instead of scrapping all the ongoing projects. I shall talk about what doing that will mean for schools in my area, and I am sure that the same effects will be felt in other constituencies.

I mentioned the Liberal Democrats because, for the best part of two years, they have been spending literally hundreds of thousands of pounds in my constituency flowering their leaflets with their promises of the best start for children and pledging a boost for schools. There was recently a by-election in the Tulse Hill ward—this was after the announcement—and the literature promised:

> "We will provide a fair start to all children by giving schools the extra money they need".

Well, gosh. I would say they have forfeited any right to claim to speak for my community after the announcement that has been made.

The bottom line is this: we need the money. We need the projects to go ahead, and not only because school buildings in my area need reforming and updating. We have plenty of statistics to show that where we have invested in infrastructure using the BSF programme, it has massively increased the educational attainment of pupils in Lambeth, the London borough in which my constituency is located. School places are an issue there and the impact of the decision will be massive.

Just before coming to the debate, I received a copy of a letter that Susan Powell, the head teacher at La Retraite school, had just sent to the Secretary of State

[Mr Umunna]

about the significance of the scrapping of the BSF project at her school. She explains how, in anticipation of receiving the BSF moneys, her school took on site three mobile classrooms:

"The reason for these mobile classrooms was that, two years ago, we agreed with the local authority to take on extra pupils and to extend the intake to 5 forms of entry. We agreed to do this as part of the arrangements for BSF; it was part of our bid. We believe that we have a moral right to new buildings to house the extra pupils, which we only took on in return for this promise. You may not know that pupil places are at a premium in Lambeth which is, as an authority, extremely short of places."

Many hours, weeks and months of planning have gone into projects in my community that have been scrapped. I appeal to the Minister not only to approve the project at Dunraven school, which is in the balance, but to reverse the decision on the La Retraite and Bishop Thomas Grant schools. We are talking about our children's future, and the coalition needs to wake up and come to its senses.

As I have already mentioned, last week the Secretary of State came and apologised to the House, saying that:

"when mistakes are made, we apologise and we take responsibility." [*Official Report*, 12 July 2010; Vol. 513, c. 641.]

In 1997, the Labour party inherited a legacy of chronic underinvestment from successive Conservative Governments. That is a fact, and the new Administration need to learn the lessons of the past. I am more interested in that than in any apology.

3.31 pm

Patrick Mercer (Newark) (Con): I am delighted to serve under your chairmanship, Mr Gray. It is a pleasure to follow the hon. Member for Streatham (Mr Umunna), who made some extremely good points, and I congratulate the hon. Member for Halton (Derek Twigg) on having procured the debate. He knows how much I respect his views, but he weakened his case with needless party political posturing, especially with his reference to the burden of the changed scheme falling particularly on Labour-held constituencies. That is not the case, as I am about to explain.

I thank the Minister for two things. First, the Secretary of State has promised that I may visit him to talk about this subject—I shall return to that in a moment. Secondly, the Minister will be aware that a promise has also been made that either the Secretary of State or a Minister will visit my Newark constituency. I am extremely grateful, and I await both dates with great interest. My point is that, in just a few weeks, I have received two promises from this Government that I got absolutely nowhere near receiving from the previous Government.

The Minister and all Members present will know that in 2001, very few seats changed hands from the Labour party to the Conservative party. Newark was one of those that did. I campaigned hard upon the fact that the disgraceful state of the schools in my constituency would be addressed, and with urgency. To give credit where credit is due, two outstanding schools have been refurbished in the west and north parts of my constituency: one in Tuxford, of which I am a governor, and one in Southwell. They are both excellent schools and look grand, they really do. However, the four secondary schools—now three—in the centre of Newark remained in a dreadful state. I campaigned again in 2005 on the principal point that something would be done about those schools. I constantly asked Labour Ministers for meetings. The requests were refused. I constantly asked Labour Ministers to visit the constituency. That was refused. Views constantly changed, amounts of money changed and there was obfuscation about which particular wave of the Building Schools for the Future programme my schools would be in. I never knew. When the education authority came under Conservative control, it was similarly frustrated by a process that left it flabbergasted by its incompetence.

Enough. Enough of complaining about the past. The hon. Member for Streatham made the point that this debate is about the future. It is about our children and delivering the education that they need. I am not interested in knowing what has gone before. I am not interested in the incompetence. I am interested in why The Grove school in Newark has to cease teaching when there is a heavy fall of rain and the children have to hold buckets under the roof. I am interested to know why Magnus school, which is just coming out of special measures, has nothing to look forward to. I am interested to know why the Orchard special needs school similarly has no idea what its future will be. Whatever the faults of the past, I am interested to know what the future is for these three schools on four sites—covering all the secondary schooling in the centre of my constituency—which have had their projects cancelled without a glimmer of hope being given to them.

We are told, "You can teach in a tent," and I am sure that that is possible. The staff in Newark are first class, but the grave difficulty is recruiting new staff to a site that is a shambles. The new schools that I have are recruiting staff and pupils easily. The difficulty in Newark, which is right on the border between Nottinghamshire and Lincolnshire, is that so many of my children are drifting away over the border into Lincolnshire to be educated there.

My message is very simple: one does not take away a lollipop without promising a child a visit to the zoo the next weekend, or something similar. It is basic psychology. All sorts of members of staff from The Grove, Orchard and Magnus schools have expressed their disappointment and horror and have asked why schools in north Lincolnshire and Sheffield, for example, are totally unaffected while all Nottinghamshire schools are affected. The Grove school has been described by the local authority as having the worst buildings in Nottinghamshire, although I think that it has strong competition from Toot Hill, in Bingham, which is also in my constituency. What is the future for those schools?

The Building Schools for the Future programme was deeply flawed. I had nothing from it but frustration, anger and obfuscation, and the performance of those who were trying to administer it was simply bathetic—not pathetic. I ask the Minister please to give me some dates for the visits and for when I can see the Secretary of State, and to let me say something to my head teachers that gives us some hope that the schools' capital projects will help Newark and that I can deliver on the promises that I made in 2001, 2005 and 2010, which took Newark out of the hands of Labour and delivered it to the Conservative party with a 16,000 majority.

3.38 pm

Andrea Leadsom (South Northamptonshire) (Con): I believe that the Building Schools for the Future programme is a classic example of what we have seen over the past 13 years of Labour: a project that was supposed to cost £45 billion and ended up being costed at £55 billion. Bureaucracy was the absolute cornerstone. As my hon. Friend the Member for Erewash (Jessica Lee) so graphically described, there were nine stages of preparation with multiple sub-stages, and many councils that entered the process six years ago only now have building work starting.

Labour, of course, set up a quango to deliver the project: Partnerships for Schools. I understand that running the quango cost the taxpayer £24.4 million last year and that the CEO earns about £215,000 a year—very nice work if one can get it. Finally, Labour achieved completion of works on only 97 secondary schools in seven years. That is absolutely typical of the endlessly aspirational but completely failing projects in so many areas. If that were not enough, the issue that I wish to raise is even more fundamental.

Mr Umunna: The hon. Lady has cited one example. Can she provide us with detailed evidence suggesting how widespread that alleged dysfunctionality was overall?

Andrea Leadsom: The hon. Gentleman will have to forgive me. I do not have time to go into the details, but I will happily speak to him after the debate.

None of south Northamptonshire's six secondary schools had any prospect of a look-in on the programme before 2015. My constituency has one school in special measures and another that has just come out. The buildings are appalling, presumably because attainment is reasonable. Like many partly rural constituencies, mine has great areas of deprivation. That is simply not fair. I urge the Minister to ensure that our plans provide fairness across the country.

3.40 pm

Mr Iain Wright (Hartlepool) (Lab): It is a pleasure to serve under your chairmanship, Mr Gray. I congratulate my hon. Friend the Member for Halton (Derek Twigg) on securing this timely and hugely important debate. He has campaigned tenaciously on this issue on behalf of the schools in his constituency and I applaud him for it.

This has been an energetic and passionate debate, and rightly so. Education fires up people's passions. Many hon. Members from various parties were drawn into politics because they want to work to give all our children and young people the best possible start—an aim with which I think we all agree. However, the whole House should also agree that cutting Building Schools for the Future so soon after the birth of the coalition Government is a shameful and shambolic example of ministerial arrogance and incompetence.

Time and time again in this debate, we have heard of the anger in hon. Members' constituencies—real anger, not synthetic—about the decision to scrap school buildings. My hon. Friend the Member for Halton, my right hon. Friend the Member for Oxford East (Mr Smith) and my hon. Friend the Member for Streatham (Mr Umunna) have made excellent speeches. I also highlight the excellent contribution made by the hon. Member for Newark (Patrick Mercer), who illustrated the cross-party anger about the matter. The rally in London on Monday organised by the teaching unions and my right hon. Friend the shadow Secretary of State for Education showed the depth of anger not just in the House, but across the country among parents, young people, teachers, school governors and local authorities.

We have heard that the manner in which the decision was made showed breathtaking incompetence and arrogance. It was incompetent because the Secretary of State, whom I like very much and think is an incredibly intelligent man, was not on top of his brief. It was a debacle because information was not provided to hon. Members when the Secretary of State made his statement to the House on 5 July. It was a shambles because error after error appeared in the cancellation lists. I think that we are currently on our fifth or sixth list, but I might be a bit behind the curve.

What matters more than any of that is the fact that 735 schools will now not be refurbished or rebuilt as planned. It is confusing. Dyke House school in my constituency was due for financial closure this Friday. It has decanted all its students to another site ahead of the two-year building programme. The head teacher has invested another £400,000 to facilitate the build, and the local authority has invested £3 million to ensure that it takes place. There has been no word whatever about whether the project can proceed. I asked a named day question about Dyke House school on 6 July, to be answered on 12 July. Almost two weeks after that answer was due to be provided, I have not yet got a response from the Department. I had the privilege to serve as a Minister in the Department for Children, Schools and Families, and I found it an incredible honour to work with the most passionate, energetic and professional officials anywhere in Whitehall. This is not the officials' fault; it is a symptom and a sign of ministerial dysfunction and incompetence, and the ministerial team should be ashamed of themselves.

Mr Slaughter: My hon. Friend is identifying some of the perhaps unintended consequences. It is not just that schools are being left with crumbling buildings; local authorities' plans for redeveloping schools have also been thrown into chaos, causing not only financial loss but the sort of loss that my hon. Friend is discussing. In some local authorities, including mine, academies have had a full modernisation programme but other schools have been left to rot, resulting in a two-tier system. It is a complete shambles.

Mr Wright: I agree absolutely. At the moment, we are debating the Academies Bill on the Floor of the House; I think that we are about to suspend for a Division on it. The Academies Bill will set up a two-tier system of education as well.

3.45 pm

Sitting suspended for a Division in the House.

4 pm

On resuming—

Mr Iain Wright: *rose—*

Mr James Gray (in the Chair): Minister—*[Interruption.]* I beg your pardon; I mean Mr Iain Wright.

Mr Wright: If only that were still the case, Mr Gray, some school buildings might still be being refurbished and rebuilt.

Before the Division, we were discussing the arrogance and incompetence of the current ministerial team. When the Secretary of State announced his decision, he committed the cardinal sin of failing to ask the right questions. That was arrogant, because he thought that there was no need to consult or ask whether his information was correct and accurate. That is an example of top-down government—the belief that the Minister in Whitehall knows best and that there is no need to check data or facts with schools, trade unions or local authorities.

Building Schools for the Future was not perfect; I have not suggested that and nor has any other hon. Member who has contributed to this debate. However, it was ambitious in its scope, and that was something that we had not seen in this country for the best part of a century. It represented nothing less than a 15-year programme to refurbish or replace every single secondary school in England.

Ben Gummer: Will the hon. Gentleman give way?

Mr Wright: The hon. Gentleman must forgive me, but I have only four minutes left. In cancelling BSF, the Secretary of State told the House that rising standards in schools are not based on new or improved school buildings.

Derek Twigg: Will my hon. Friend give way?

Mr Wright: Given that my hon. Friend secured the debate, I feel that I should give way.

Derek Twigg: On the point about rising standards, there was some suggestion that standards had not risen under Labour, yet in Halton they have risen significantly in all secondary schools. In fact, only today Bankfield school, my old school, has been rated as outstanding by Ofsted.

Mr Wright: I congratulate Bankfield school on that achievement. Hartlepool local education authority was the fastest-improving education authority in the past 10 years, with regard to rising economic standards, and we have just lost out on £104 million of BSF funding. That could have been the last piece in the jigsaw that would allow our young people in Hartlepool, Halton and elsewhere to meet their potential and thrive.

The Labour Government were allowing teachers, who are professional and well respected, to use their professionalism to inspire and impart knowledge. The CBI produced an interesting report last year that found that exam results in BSF schools improved at more than four times the rate of other schools. It also found that in those schools 30% of pupils felt safer, that bullying and vandalism had decreased by 23% and 51% respectively and that 13% more pupils said that they intended to stay on for the sixth form. Therefore, there is a close relationship between rising standards and inspiring buildings.

To allow Britain to compete in the modern globalised economy, surely we need world-class facilities. If we are to lead the world in science in the 21st century, surely we need state-of-the-art science labs to help motivate and inspire the next generation of scientists. If we are to be at the cutting edge of climate change mitigation, surely a good start would be to demonstrate to pupils, from the youngest possible age, that green buildings can help protect the environment. On a slightly more mundane level, surely it is right that this country, which is still the world's fifth largest economy—despite the comments of Government Members who want to run down our economic performance—should be able to provide school buildings that do not leak.

The Minister must answer several questions that the Secretary of State seems pathologically incapable of answering. If the Minister does not have time to answer them, I would appreciate it if he wrote to me, and to the Members who have participated in the debate, with specific answers.

Did the Secretary of State at any point receive written or oral advice from his officials or from Partnership for Schools urging him not to publish a list of schools until after he had consulted local authorities to ensure that his criteria were sound and his facts right? Was he advised of the risk of legal challenge from private building contractors? What contingency has his Department put in place for possible judicial reviews from schools, local authorities and private contractors? Will the Minister admit that the decision was not about inefficiency, cumbersome bureaucracy or insufficient funds, but was considered necessary by the Secretary of State to free up money for his dogmatic and ideological free market experiment in schools?

When the Secretary of State announced the cuts to BSF to the House, he stated:

> "Action is urgently needed today because the whole of my predecessor's Department's spending plans were based on unsustainable assumptions and led to unfunded promises."—[*Official Report*, 5 July 2010; Vol. 513, c. 50.]

That is a serious allegation about the financial controls and the accountancy and budgetary procedures at the Department for Children, Schools and Families. It alleges that the permanent secretary, as accounting officer, allowed the then Secretary of State to make uncosted promises for short-term political gain.

However, the permanent secretary has stated in a letter to my right hon. Friend the Member for Morley and Outwood (Ed Balls):

> "During your time as Secretary of State, I can confirm that the Department for Children, Schools and Families worked closely with Her Majesty's Treasury to ensure that appropriate cover was provided for spending decisions. Decisions on capital expenditure, including those relating to Building Schools for the Future, were subject to Treasury clearance where appropriate...If any actions on this or any matter were in breach of the requirements of propriety or regularity, I would have sought a ministerial direction. I can confirm that I made no such requests during your time as Secretary of State."

Will the Minister concede that there were no unfunded promises in the BSF programme and that all schemes went through appropriate procedures of appraisal at both the Department and the Treasury? Will he now apologise for the scurrilous allegations about my right hon. Friend's conduct?

In conclusion, the Secretary of State's decision on Building Schools for the Future has cost him a lot; in the space of an afternoon, his reputation—hard won over many years—was reduced to tatters. More importantly, the decision has cost the private sector the potential for

recovery and local authorities millions of pounds in opportunity costs and sunk spending. Even more importantly, by denying hundreds of thousands of children and young people the opportunity to be taught in world-class facilities of outstanding design, that decision will be to the cost of the educational potential, and hence the social and economic progress, of this country for many decades to come.

4.6 pm

The Parliamentary Under-Secretary of State for Education (Tim Loughton): I am sure that we are all glad that the former Minister has got that off his chest, but he has not left me much time in which to answer the real questions that hon. Members have asked. This is the first time that I have served under your chairmanship, Mr Gray, and it is a pleasure. I welcome the large number of Members who have sought to participate in the debate. That demonstrates the interest in this matter, although it is notable that there are twice as many Conservative Members present as there are Labour Members.

Lyn Brown: Will the Minister give way?

Tim Loughton: I will not give way.

Lyn Brown: I have sat through the whole debate to ask one question—

Mr James Gray (in the Chair): Order.

Tim Loughton: Conservative Members have shown great interest in the debate, while Labour Members who have jumped up and down cannot be bothered to come here in the numbers we were promised.

Lyn Brown: Will the Minister give way?

Tim Loughton: I will not give way.

I congratulate the hon. Member for Halton (Derek Twigg) on securing this interesting debate. I certainly recognise his passion for the subject and for the schools in his constituency. I also recognise the big impact that the Building Schools for the Future changes have had on his constituency and the good progress that those schools have made. He acknowledged that the BSF system was certainly not perfect, but he did not state what the effect on BSF would have been in the event of the re-election of a Labour Government committed to axing 50% from capital spending. The cuts have not just come about—

Derek Twigg: Will the Minister give way?

Tim Loughton: I will not give way because I want to answer the specific questions that the hon. Gentleman has asked. I can either take more interventions and not answer his questions, or I can answer his questions. The choice is his.

Lyn Brown: Will the Minister give way?

Tim Loughton: I will try to answer the hon. Gentleman's questions.

The right hon. Member for Oxford East (Mr Smith) said in his speech that the coalition Government's first cut was to the BSF budget, but it would have been the same had the Labour Government been re-elected because the money was never there for the scheme, despite all their vague promises.

Many hon. Members from both sides of the House have spoken passionately about the effects of the BSF changes in their constituencies. My hon. Friend the Member for Newark (Patrick Mercer) has built a reputation for standing up for the schools in his constituency since his election in 2001, and I will certainly nudge my colleagues about the visits to his constituency and to the Department that he was promised. I also acknowledge the passion with which the hon. Member for Streatham (Mr Umunna) spoke, particularly on his work in the interests of the young people in his constituency. I will answer three of the specific questions from the hon. Member for Halton, but if I miss any other hon. Members' questions I will be happy to write to them if they nudge me afterwards.

First, the hon. Member for Halton asked about the review. It is led by Sebastian James, the director of DSG International, and is due to be completed by the end of the calendar year, with interim advice to be produced in September, ahead of the comprehensive spending review. Secondly, he asked about the impact on ICT funding. Basically, those decisions will be taken along with those on schools still under consideration and on the future of the scheme, which is being decided under the James review. Such considerations will be part of that review.

Thirdly, the hon. Gentleman made a point about playing fields. The review will include consideration of all requirements on schools, including their buildings and land. However, there is simply no intention to get rid of playing field regulations. I can assure the hon. Gentleman that the review will support the coalition aim to protect such playing fields.

I also want to respond to the specific point made by the former Minister, the hon. Member for Hartlepool (Mr Wright), about the consultant paid £1.35 million. The National Audit Office's BSF report of 2009 said clearly, on page 37, in section 4.8, that the £1.35 million was paid to the firm KPMG for the financial services of "one individual" exclusively in that period. The hon. Gentleman knew that—*[Interruption.]* If he did not know that, he had not done his homework. He was a Minister in the Department at the time.

Let me restate the Government's absolute commitment to raising standards of education in this country, an ambition shared by all hon. Members and certainly those in the Chamber today. From day one, we have been totally committed to raising educational standards and to tackling head-on some of the big problems bequeathed to us by the former Government.

The achievement gap between private and state schools has grown over the past 13 years. Just as painfully, standards have declined to the point at which 42% of pupils eligible for free school meals are not achieving a single GCSE above grade D. Only a quarter of GCSE students are achieving five or more GCSEs including English, maths, science and a foreign language. We are 24th in the league table for maths, as my hon. Friend the Member for Banbury (Tony Baldry) mentioned.

The hon. Member for Halton claimed that all the changes to BSF are ideologically driven. That is true: the

[Tim Loughton]

Government are ideologically ambitious to raise the quality of education for every child and to raise the standard of education in every school. The hon. Gentleman also said that the changes were the biggest attack against Labour-supporting areas. What about the attack on the aspirations of the constituents in those areas, building up their hopes of new school buildings when there was never any prospect of a re-elected Labour Government delivering them? That is the attack, and it was misleading, dishonest, opportunistic and immoral. Yet now Labour Members cry foul about how things are happening.

In contrast, we have committed to doubling the number of highly accomplished graduates teaching in our schools, to make sure that every child—especially the poorest—has access to excellent teaching.

I understand the grave disappointments of hon. Members about the BSF programme. I also understand the disappointment of the affected heads, teachers and pupils in the constituencies of the hon. Member for Halton and others who have spoken. It would have been wonderful to have inherited a decent financial legacy so that we could carry on with an efficient building programme to renew all our schools.

The hon. Member for Streatham said that abandoning the BSF programme made no sense. However, what does not make any sense is to leave our Government with a Budget deficit of £155 billion and a public sector net debt of £926.9 billion, or 63.9% of GDP. That is what does not make sense, and that is what is unfair to the children, teachers and parents who are now being let down by a plan that would never have been delivered in practice. It also discriminated against many schools in the later phases. They had no prospect of the money, because it had been lavished disproportionately—wasted—on the earlier schools. That is the truth of the matter.

It is vital to repeat the fact that, contrary to some of the wild reports, the BSF changes do not mean that school buildings and capital works will suddenly be stopped dead in their tracks. We remain committed to investing in the schools estate, to ensure that pupils are educated in buildings of a good standard, where they feel safe, comfortable and ready to learn. However, we must acknowledge that, as the Chancellor made clear in his Budget last month, we are living in a difficult fiscal climate and one in which £1 of every £4 we spend is borrowed. Increasingly, professionals across all public services are being asked to do more with less.

BSF was the flagship programme of the previous Government. Where it has delivered, it has seen some impressive new buildings, but at a huge cost—rebuilding a school under BSF is three times more expensive than a commercial building and twice as expensive as building a school in Ireland.

Social Housing (Houghton and Sunderland South)

4.15 pm

Bridget Phillipson (Houghton and Sunderland South) (Lab): It is a pleasure to serve under your chairmanship, Mr Gray. I refer to the Register of Members' Financial Interests, in which I declare that I own a house, which I rent out privately.

The debate is the first in Westminster Hall that I have secured. I am pleased to take the opportunity to raise an issue of such importance to my constituents. Housing remains a pressing priority in Houghton and Sunderland South, and indeed across the north-east region. Time and again, constituents tell me of their frustration at being unable to secure a home to rent, in particular in a community in which they grew up and where their family continue to live. Their expectations are not unreasonable, and shortage of supply understandably gives rise to frustration and resentment.

In April 2009, there were 2,184 households on Sunderland city council's waiting list for social housing. In 2008-09, 217 people in Sunderland were accepted as homeless and in priority need. That figure is down from 597 in 2004-05, and I commend Sunderland city council's housing advice team, whose preventive work, advice and mediation prevent more families from becoming homeless. In 2008-09, the team undertook 710 homelessness prevention cases outside the statutory framework, helping to protect families from the misery and chaos of losing their home and all the social problems that that causes.

However, I am concerned that cuts to local authority funding, with more expected in the autumn, will financially squeeze councils such as Sunderland. Councils will find it increasingly difficult to invest in the vital preventive work that ultimately saves money and alleviates pressure on social housing. I seek reassurance from the Minister on that point.

Under the previous Labour Government, Sunderland's largest registered social landlord, Gentoo, secured a grant of £34 million from the Homes and Communities Agency under the kick-start scheme. That funding has been crucial in regenerating key areas in Houghton and Sunderland South, such as Doxford Park and the Racecourse estate. I know that such funding has also been crucial in the constituency of my hon. Friend the Member for Sunderland Central (Julie Elliott).

Research carried out by Gentoo estimates that the overall benefit to the local economy of that Government investment was £60 million—from a grant of £34 million. Jobs in construction and associated trades were secured and created through the investment, which is important in the context of the global recession, when construction workers were struggling to find work as home building ground to a halt.

Local people have benefited from hundreds of new homes to rent and much needed regeneration. I must also commend Gentoo for ensuring that all its social housing stock meets the decent homes standard, five years ahead of the previous Government's deadline. The challenge is not simply ensuring that we have adequate social housing built to meet our needs, but enabling existing tenants to live in modern homes.

Social housing, which many of us used to know as council housing, has an important role to play in our society. For too long, we heard negative comment about so-called sink estates, with social housing seen as, at best, a second-class option and, at worst, a last resort. As someone who grew up in a council street, the major problem to affect our quality of life and that of our neighbours was the lack of investment in our homes in the 1980s and 1990s—no proper heating systems, damp, no damp-proof course and rotten windows.

Julie Elliott (Sunderland Central) (Lab): As my hon. Friend said, mine is the neighbouring constituency—Sunderland Central has housing provided by Gentoo and Sunderland city council. Does she agree that the standard of housing built in recent years by Gentoo in my constituency, such as Leafields, has not only improved the standard of housing that people live in, but had a great impact on reviving communities and improving their facilities? Often, such housing projects have been built in conjunction with other new builds such as Sure Start centres and schools. That impact is in danger of being lost through the cuts being threatened in such areas.

Bridget Phillipson: Yes, I agree absolutely with my hon. Friend. Doxford Park is a particularly good example in my constituency of social housing at its best. Like the development in her constituency, it has a variety of homes: bungalows, flats and family homes. Equally, there is mixed tenure in such developments. There are homes for rent and homes that can be bought, often at affordable prices that are in the reach of local people.

My hon. Friend makes the good point that such development needs to be continued. We still have a pressing need for regeneration in some areas of Sunderland. I appreciate and accept the concerns of many of my constituents that, at times, regeneration has been too slow. I am keen to see it continue, but from discussions that I have had with Gentoo I know about the difficulty that it faces. It would like to build more homes for rent, but because of lack of money from the Government, at times it has little option but to reduce the number of homes it can rent, relative to the number of affordable homes it can sell.

In 1997, the Labour Government inherited a vast backlog of necessary repairs to the social housing stock. The homes were simply not fit for habitation and were crumbling. Social housing should be a genuine choice for my constituents, and I would argue strongly for that choice. Owning a home remains out of the reach of many of them due to their income, so investment in social housing must remain a key priority of the new Government.

As the housing market has slowed and the deposit required for a mortgage has sharply increased, turnover of social homes has dropped significantly in Houghton and Sunderland South, and across Sunderland. That particularly affects young families, who are forced to turn to the private sector, where rents are often higher, there are still unscrupulous landlords and there is not the same security of tenure.

I contend that if the Government will not prioritise investment in social housing, it is all the more important that additional safeguards are put in place to tackle rogue private landlords. However, the Government have offered no commitment on that issue and have dismissed as bureaucratic any suggestion that further regulation of the private rented sector is needed. Further measures are required to provide protection to private tenants in constituencies such as mine, and to provide protection against antisocial behaviour committed by tenants where the landlord does not take action, or where properties are left to stand idle by absentee landlords who are sometimes as far afield as Hong Kong.

My hon. Friend the Member for Blaydon (Mr Anderson) used to live in my constituency. Some of the private landlords who bought properties in the area lived in Hong Kong, and the city council had significant difficulty tracking them down to push forward much-needed regeneration. Sometimes homes become a public health hazard or a focus of antisocial behaviour.

Moreover, the proposed reforms to the housing benefit system will push private tenants into poverty as they struggle in constituencies such as mine to make up the shortfall. It is not uncommon for private tenants in Houghton and Sunderland South to top up their rent by some £10 to £15 a week. For such tenants, the top-up could double when their finances will already be under pressure because of a freeze in child benefits, cuts to tax credits and the VAT rise.

The changes to housing benefit will increase homelessness in my constituency, which will, in turn, lead to greater pressure on social housing stock when we already have a shortage. Local authority housing advice teams such as those in Sunderland will struggle to deal with the additional people who register as homeless. In fact, many local councils support homeless people in accessing private tenancies, and they will now face a massive strain on their already limited budgets. I urge the Government to rethink that damaging element of the housing benefit reforms. In my constituency, it will prove divisive and punitive, and exacerbate social housing need.

Along with many others, I urged the Labour Government to prioritise investment in social housing and recognise the need felt in communities such as Houghton and Sunderland South. Investment did increase, and I was pleased that they listened. However, I am deeply concerned that that progress will be lost. The House of Commons Library makes it clear that the Homes and Communities Agency will see a 10% reduction in its capital budget this year—a total of £450 million when our need for social housing remains as strong as ever, and when crucial construction industry jobs might be secured or created.

Indeed, that cut, combined with the cuts to the Building Schools for the Future programme, will damage the already struggling construction industry in Sunderland, where vital jobs could have been created and much-needed projects could have gone ahead for the benefit of my constituents.

I shall draw my comments to a close as I am anxious to hear the Minister's response. Again, I am grateful for this early opportunity to draw attention to a serious issue that affects my constituency and wider Sunderland.

4.24 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): I congratulate the hon. Member for Houghton and Sunderland South (Bridget Phillipson). She is following

[Andrew Stunell]

in the path of her distinguished parliamentary predecessor, Fraser Kemp, and I am sure that she will in time establish the same strong reputation that he had for sticking up for constituents. She has done so very well just now. I thank her for bringing this question to the attention of the House and for giving me an opportunity to respond to it.

We need to start with the real situation facing this country as far as financial circumstances are concerned. The hon. Lady made it sound as though the coalition Government have taken decisions purely on a whim—as though we had a choice—and overlooked the fact that we have inherited the worst financial situation of any Government in western Europe, save Ireland.

Mr David Anderson (Blaydon) (Lab): I welcome my hon. Friend the Member for Houghton and Sunderland South (Bridget Phillipson) to the House. It is great that she is now the MP for the place where I spent some of the happiest years of my life.

The Minister makes a point that we hear continuously—that there was no choice. The truth is that there was a choice. We all agree that we have a terrible deficit to sort out, but the choice that the Government parties are taking is different from the one that my party would have taken if it had been in government. We do not have to choose what the Minister has chosen. That needs to be nailed to the wall now.

Andrew Stunell: I thank the hon. Gentleman for his contribution, which is one that I have heard several times from Members on the other side of the House. Unfortunately, it is no more relevant or close to reality than the projections that were made before the election, which were that everything was fine and that we could just carry on.

If things were so good beforehand, it is astonishing that so little social housing was built by the previous Government. House building in England is now at its lowest level since 1946, with just 118,000 completions in 2009. I remind Opposition Members that they were in charge at that time. Excluding the war years, they achieved the lowest rate of house building across England and Wales since 1923. That is not a record that allows them the strength to criticise what this Government are doing now.

Bridget Phillipson: The argument that the Minister makes is a good one in many ways. He refers to 1946 as a key point. Much of my constituency is composed of post-war modern developments built when Britain was groaning under the weight of the debt we accrued to fight the second world war. Surely, sometimes it is a question of priorities. We choose to prioritise what matters, and if we choose to prioritise housing, we not only secure the future of our communities and regenerate them, but, equally, create much-needed jobs in a time of deficit.

I accept the Minister's point that the previous Government should have done more on social housing. I pushed hard on that point. I would contend that latterly they were doing more, but that the rug is now being pulled—

Mr James Gray (in the Chair): Order. Interventions should be as brief as possible.

Andrew Stunell: I thank the hon. Lady, who acknowledged the reality of what I said. As she correctly says, this is a matter of priority. I shall come to exactly what the Government's priorities are, and why we took the decisions that we have announced.

We need to be clear that there is a significant gap between the supply and demand for new homes. For decades, the housing market failed to keep up with the needs of our growing population, which has led to problems with affordability, people coming on to the council house waiting list and people seeking to buy their first home. That, in turn, has led to social and economic problems, and the hon. Lady eloquently set out some of the problems affecting her own community.

The long-term demand for housing is strong and fed by rising population, increasing affluence—taking 10 or 20 years at a time—and people's strong cultural preference for homes of their own. Under-supply has led to some serious consequences for us.

I want to make it clear to the hon. Lady that we, too, share her commitment to having more affordable housing, and we remain committed to the provision of social rented housing for those in need. We will promote shared ownership schemes and help social tenants and others to get on to the housing ladder, although that has to be done within the constraints of the financial position that the Government find themselves in.

If constituents came to hon. Members' surgeries with a problem and explained that they were on £300 a week but were spending £400 a week and putting the extra £100 on their credit cards, which had £50,000 on them, we would, as responsible Members of Parliament, say, "You need to see whether you can increase your income and reduce your expenditure." People would get such advice from any sensible debt counsellor or MP. We, as sensible MPs, and as a sensible coalition Government, have to say that our commitments and aspirations must be measured against the resources available and the constraints of the financial position that we are in.

Pat Glass (North West Durham) (Lab): We hear that mantra from the Government every time they open their mouth; it is their answer to every question. The Government are looking to wipe out the deficit in three to four years simply so that they can deliver tax cuts before an election. They are doing that at the expense of the constituents of my hon. Friend the Member for Houghton and Sunderland South (Bridget Phillipson).

Andrew Stunell: It would be nice to think that we could wipe out the deficit, but the Government's financial plans say that we will have stopped adding to the overdraft. It is not that we will reduce the £50,000 credit card debt that I mentioned, but that we will stop increasing it. The hon. Lady needs to get a grip on reality.

To return to the subject of the debate, we are absolutely committed to wider home ownership and helping those who aspire to own their own home; the figure is estimated at some 1.4 million households. We want first-time buyers who cannot get into the housing market to do so, and we want social housing waiting lists to be reduced. We want to ensure that the affordable housing supply is increased.

That means building new homes, where they are sustainable, in places that are attractive to people and near to work. We know from the performance of the previous Government that top-down targets are not the right way to go about that. In fact, the higher the targets were raised by the Labour Government, the fewer houses were completed.

We intend to return decision making to democratically elected councils and to remove regional housing targets. We will reform the planning system to give neighbourhoods more say, provide incentives to local authorities to deliver sustainable development and create new land trusts that will make it simpler for communities to provide homes for local people. We will drive up housing supply by providing financial incentives to local authorities that build additional housing. I would have thought that that was helpful to the hon. Member for Houghton and Sunderland South in respect of the debate.

Ours will be a bottom-up approach, allowing local communities to control the way villages, towns and cities develop through local plans and letting them derive direct benefits from the proceeds of growth in their areas. We need to remind ourselves again that the affordable housing supply was down by more than a third under the previous Government. We recognise that there is continued need for affordable housing for social rent and for low-cost home-ownership housing, and we remain committed to delivering on that.

Some Library figures on spending reductions being applied to the Homes and Communities Agency were mentioned. If the hon. Lady looks carefully at the expenditure plans that we have set before the House, she will see that the previous Government's housing pledge committed £1.5 billion to the agency's funding. We have now secured and authorised £1.25 billion. In other words, by struggling and kicking we have pushed forward a sum that is just £250 million short of the original pledge, which was based on wobbly finance. The Government are strongly committed to pushing that programme forward. We will make the radical changes needed to incentivise housing supply and ensure that local communities are empowered so that they can take advantage of that.

On Monday, the Prime Minister and the Secretary of State for Communities and Local Government attended an event in Liverpool, which was the first of a series of events to kick-start the big society. It was announced that four pilot local authorities would immediately be given the opportunity to take forward some of the ideas for devolving power and making things happen locally, to supersede top-down decision making from Whitehall and get things going on the ground. I hope that, soon, the hon. Lady will see those pilots delivering success and that she will strongly encourage Sunderland city council to join in.

The hon. Lady mentioned housing benefit, which I want to discuss. We—the Government and taxpayers—are paying more in housing benefit than we do for the police and universities combined. In real terms, the cost of housing benefit has risen from £14 billion to £21 billion in the past 10 years. I will give her the opportunity after the debate to score a few points at my expense. This is the second time that I have debated housing benefit in Westminster Hall with a Member representing Sunderland South. The previous time was on 12 January 2000, with her predecessor—she may want to look it up in *Hansard*—who said:

> "The overriding objective of the housing benefit system is to enable those with no income of their own and those on low incomes to provide for their reasonable housing costs... housing benefit should not subsidise someone to live in a property that is unreasonably expensive. If it did, tenants would... have no incentive to look for more reasonably priced accommodation and landlords would have no incentive to seek more reasonable rents."—[*Official Report*, 12 January 2000; Vol. 342, c. 108WH.]

At that time, her predecessor was a Minister with responsibility for communities and I was in the hon. Lady's place, making bitter complaints about what was happening to housing benefit. Since then, housing benefit expenditure has risen by £7 billion.

Bridget Phillipson: Does the Minister accept that, subsequently, the local housing allowance was introduced to deal with that problem and that although the reforms of the housing benefit system were far from perfect—it is a complicated, means-tested system—the LHA was designed to tackle some of the difficulties, including rents being too high or tenants not being encouraged to find more affordable accommodation? We do not need wholesale cuts to adapt system more adequately to meet the needs of tenants.

Andrew Stunell: I am sure that those matters will be debated during the consultation on the plans that have been announced. Since the hon. Lady's predecessor made that statement to the Chamber, expenditure on housing benefit has increased by 50%, from £14 billion to £21 billion. A simple ready reckoner helpfully provided by my Department shows that that £7 billion would have allowed us to build 60,000 social houses in each of the past 10 years—600,000 houses could have been constructed. That would have satisfied her and me, but it would have required restraint on housing benefit.

If the coalition Government's proposals are implemented in the form in which they have been introduced, they will save £1.8 billion, which is equivalent to 20,000 social houses. In a time of constraint, the hon. Lady and I must weigh up housing benefit costs against the possibility of increased social housing. Those are the tough choices that her predecessor offered to me 10 years ago, and which it is now my duty to offer to her today. The reforms that have been announced will allow us to make better use of our social housing. A key point relates to the way that social housing is occupied. We all know that there is a mismatch between the size of households and the size of many council houses. We know that that is also an issue.

When resources, affordable housing and rented accommodation are scarce, waiting lists are high, and financial constraints on the country are great, we must ensure that we make efficient and effective use of the resources and homes that we have. The hon. Lady referred to the hardship that will be caused to her constituents as a result of applying the new rules, but I remind her that the discretionary housing payment allowance to local authorities is £20 million, which will rise threefold to £60 million to help households to adjust. As the name suggests, the payments will be entirely at the discretion of local authorities.

Hon. Members are rightly interested in housing need, which increased under the previous Government, despite a 50% increase in spending through housing benefit.

[Andrew Stunell]

I suspect that there is not much of a gap between the hon. Lady and me on what might have been a better use of that money in delivering social housing for people to rent. We have inherited record-low house building. We have waiting lists for social housing of 1,800,000 households, and turning that around will not be easy. However, I assure the hon. Lady and other hon. Members that we are absolutely committed to turning it around and to providing safe, secure, sustainable housing for all who need it.

Mr Anderson: I thank the Minister for taking this intervention; I did not want to interrupt his flow. Will he provide us with the figures? I lost track a little, but I think he said that 600,000 houses could be built for £7 billion. Can those figures be put in the Library or shared with Members so we can check them out?

Andrew Stunell: It is a good job that I did not say that, because if I had it would have been completely incorrect. If I conveyed that impression, it is a good job I am responding now, because that allows me to say that the difference in the cost of housing benefit in real terms between 10 years ago and now is £7 billion a year. I believe that the hon. Gentleman has seen my point. I do not think that there was anything wrong with what I meant to say. If there was something wrong with what I actually said, I am happy to put that right.

Local Education Partnerships

4.44 pm

Charlotte Leslie (Bristol North West) (Con): Thank you, Mr Speaker. This is my first Westminster Hall debate, so if I mess up the protocol—

Mr James Gray (in the Chair): You addressed me as Mr Speaker, which is flattering, but incorrect. I am not yet the Speaker. Mr Gray is perfectly sufficient.

Charlotte Leslie: Thank you, Mr Gray. That was my first mess-up.

The focus in recent weeks has been on the Building Schools for the Future programme, but I wanted to bring this debate to Westminster Hall because the mechanisms underlying that programme—local education partnerships—have been overlooked. They are public-private partnerships between local authorities and a private sector partner selected to carry out contracting for the local authority. I have initiated this debate because I want to talk about the inefficiencies of local education partnerships and a certain lack of democratic accountability.

On value for money, I have previously worked with academy sponsors and a number have come to me in little less than despair about the measures and mechanisms that they have to go through with local education partnerships, to the extent that one even told me that the introduction of the partnership would be enough to put them off sponsoring another academy. I shall give a few details of an academy sponsor who sponsored an academy before the local education partnership came into effect, and then did so again after that, to give the Minister the benefit of experiences that that academy sponsor related to me about the way the partnership process works.

I shall also speak about the democratic accountability of local education partnerships. I shall refer, for illustration only, to a specific case in my constituency: the rebuild of Elmlea infants school, which badly needs a rebuild and has a very hard-working head teacher. That rebuild will not be done under the Building Schools for the Future programme.

First, on the academy sponsor and its concerns about efficiencies, the sponsor told me that the local education partnership in Bristol—the contractor partner was Skanska—was 90% owned by Skanska as contractor and 10% owned by the local authority. Obviously, that raises questions. The interests not of the school but of Skanska were put first, because of its stake in the LEP. Moreover, the local authority was a 10% shareholder, so it was compromised because the higher the building costs for Skanska, the higher the fees to the LEP. It was apparent that the school's interests were not represented in that dynamic.

My second concern is about responsibilities. A partnership may function very well, but there may be a lack of accountability as to who takes responsibility for what. That problem has been raised frequently in connection with academy projects. In a local education partnership academy project, the school that is converting to an academy is not the client; the local authority is the client. In the case that I am referring to—it may be replicated because of the structural nature of LEPs—the

council is reluctant to accept responsibility for the contract, because the school that it is looking after will no longer be its school. There is an imbalance in responsibility for the LEP contract and responsibility for the school afterwards. During discussions on the rebuild and the education to be provided in the new academy, the school was unable to speak directly to the architect dealing with the build but had to go through the contractor, Skanska, which did not necessarily have the expertise that the school had in providing buildings fit for educational purpose.

On costs, the school, which was being sponsored by sponsors who had sponsored other academies, was forced to take on the LEP procurement process rather than open tender. That caused much concern and some frustration, because the sponsor had managed to bring in an academy on time and under budget—the Minister will know that that is unusual for academy procurement and set-up. The sponsors had proved to be extremely efficient and had found extremely efficient partners, and they wanted to replicate that best practice, but were unable to do so because of the rigidity of the local education partnership. They also reported that Skanska had an overhead and profit margin of 8% plus, compared with the market rate of 4%. The sponsor estimated that that deprived the school of £500,000 of new build for that element alone.

On legal fees, because of the nature of the local educational partnership, there were three sets of solicitors. There were no challenges to the legal costs, which were substantial and, I would suggest, in a number of cases arose from replication of a task.

Those are illustrations of a wider problem that I am sure is replicated up and down the country. In another case, a school was forced to take the LEP ICT option, even though it already had its own ICT equipment that it could run itself, and which was fully functioning and used to great effect. That equipment was not compatible with the LEP version of ICT equipment required, so it was replaced at great cost, with complex contracts having to be negotiated. New ICT equipment had to be bought in at the taxpayer's expense, and the school's existing, perfectly functional ICT equipment became redundant because of the rigidity of the procurement process.

I could go on and on—I have a long list of inefficiencies, but I know that the Minister has better things to do, so I will not do that. Those examples of waste were provided to me by just one academy sponsor, which came to me with its concerns, but they are an indication of the kind of waste that is occurring under local educational partnerships. In this climate of economic austerity, I suggest that such waste should be looked at carefully.

My second concern is slightly less reported and has to do with democratic accountability and transparency. To illustrate my point, I will refer to the rebuild of Elmlea infants school in my constituency. The infants school shares a site with Elmlea junior school. Both schools have playgrounds and Elmlea junior school has a large playing field, which is an excellent facility for the community and is used to fulfil the curriculum requirements of both the infants and the junior school. The infants school is in urgent need of a rebuild—it has classrooms with no windows. The head teacher works hard for her children and the school is successful despite its substandard facilities.

The local educational partnership was responsible for drawing up a projected rebuild of Elmlea infants school. All along the line, the LEP process has derailed, been postponed and caused confusion among almost all the stakeholders—the local authority, head teachers in the schools and, most particularly, parents and the public. In January 2009, a feasibility study presented options 1, 2 and 3 for a rebuild of Elmlea infants school—this will get technical, but it illustrates the point. Options 1 and 2 were based on rebuilding on the existing site, and option 3 was based on rebuilding on the junior school's playing field.

Throughout the process, it seemed that there was an LEP bias towards option 3. Option 2 was presented as the favoured option in January 2009, but rather undemocratically and quickly—it is difficult to get to the bottom of why this happened—option 3 was suddenly presented as the preferred option. All sorts of questions were raised about why that happened. Questions were asked by parents and by myself at public meetings, because incomparable costs had been presented in an attempt to move public opinion and the opinion of those in the local authority in favour of option 3—the rebuild on the playing field. The key question is why the LEP was able to provide incomparable costs. I have asked for breakdowns of the costs for the individual options so that the process can be conducted in a transparent manner and value for money can be ascertained; but to date, I have not received those breakdowns, so it is difficult to see how the money is being spent.

In conjunction with the knowledge that, in the academies process, 90% of the LEP was owned by Skanska, it has been asked whether Skanska's interests are driving the school rebuild, or whether the rebuild is being driven by the interests of the school, parents and education. In my constituency, it has become a massive issue. The lack of transparency has delayed the process because people are seeking democratic accountability and answers. The school is worried that the rebuild it needs so much will be jeopardised because the LEP process has been so long-winded and has evaded so many questions that need answering.

I could go on and on about the failings and the questions that hang over the local educational partnership, but I will mention just a few. The preferred option for rebuild presented to the elected member for education on the council was changed at the last minute, with no debate or scrutiny. That put people on the council in a difficult position. The local educational partnership refers to independent partners, such as KEY Educational Associates, as independent in their scrutiny, whereas in fact at least one member of that independent body is employed by Skanska, so there is a question about that independence. More generally, democratic accountability has been poor.

In conclusion, I ask the Minister what his views are—if he has formed any—on the role of local educational partnerships, given that the Building Schools for the Future programme has been reviewed. Will he look closely at the value for money and the democratic accountability and efficiency represented by local educational partnerships, over which I have grave concerns?

4.55 pm

The Parliamentary Under-Secretary of State for Education (Tim Loughton): May I say what a double pleasure it is, Mr Gray, to serve under your chairmanship again this afternoon?

[Tim Loughton]

I congratulate my hon. Friend the Member for Bristol North West (Charlotte Leslie) on securing the debate, especially as it is her first in Westminster Hall. I also offer my congratulations on her recent election. I am sure that she will serve the people of Bristol North West for many years to come with the greatest distinction and dedication. Even if her endeavours this afternoon were not witnessed by a packed Chamber, the quality of her exposition of the problem, which showed great technical know-how, did her great credit. Her points about local education partnerships, waste, value for money, democratic accountability and transparency, are important.

I also congratulate my hon. Friend on her election to the Education Committee, and I hope that she will have a rather larger audience during that Committee's deliberations. As a leading expert in the field, she brings us a wealth of experience and knowledge of a range of educational matters—we heard about one this afternoon—and I look forward to working closely with her and the rest of the Committee.

My hon. Friend wishes specifically to discuss the role of local education partnerships and academies in her part of Bristol. I am delighted to do that, but I shall first put matters into a wider context. In her excellent maiden speech, my hon. Friend eloquently described the huge disparity between the opportunities extended to the richest and the poorest children in her constituency—the achievement gap. That poverty of attainment marks too much of the educational system, particularly for those in the most deprived areas. She described it as

> "a tale of two cities, whereby extreme poverty and deprivation exist side by side with some of the richest wards in the country."—[*Official Report*, 2 June 2010; Vol. 510, c. 499.]

She is right, but that problem is by no means unique to Bristol North West or even the rest of Bristol. It is a sad reflection on our education system that, out of a cohort of 600,000 pupils, 80,000 are eligible for free school meals, of whom just 45 made it to Oxbridge last year.

Making opportunity more equal is the aim of the coalition Government in all of their policies, and it also guides our approach to education. That comes against the backdrop of the appalling state of public finances. Our first priority must be to reduce the deficit, but we must also ensure that we improve public services in order to improve the chances of every child. Because we prioritised education, my right hon. Friend the Chancellor was able to announce that we will protect front-line spending this year on schools, on 16-to-19 funding and on Sure Start. Because tackling educational inequality is at the heart of our reforms, we will introduce a pupil premium to ensure that money is better targeted at the poorest pupils. I know that my hon. Friend has contributed both energy and enthusiasm to that policy in the past and we are extremely grateful to her for that.

Because we are determined to ensure that every child—especially the poorest—has access to excellent teaching, we will double the number of highly accomplished graduates teaching in our schools, recruit hundreds more graduate teachers into areas of poverty where they can help to raise attainment in the most challenging places and, for the first time, fund the expansion of graduate teachers into primary schools. As my hon. Friend pointed out, we must ensure that we spend taxpayers' money in the most efficient and responsible way possible at all times and on all elements of our programme, especially capital spending on refurbishing existing schools and building new ones—including, of course, academies.

It is deeply regrettable that, throughout its life, the Building Schools for the Future programme, which included academies, has been characterised by massive overspends, tragic delays and needless bureaucracy. Its startling inefficiency means that stopping the programme was the right thing to do. Having extended its scope, its budget bulged from £45 billion to £55 billion, and its time scale went from 10 years to a projected 18. Of the £250 million spent before building began, £60 million was spent on consultants or advisory costs to support layer upon layer of process. In some areas, it took more than two years to negotiate the bureaucracy, and that was before a single builder had been engaged or a single brick laid. Only 5% of the 3,500 secondary schools in this country were rebuilt, refurbished or received BSF funding for ICT—only 185 schools, which is astonishingly few given how much money was spent. Perhaps worst of all, considering the state of public finances, is that BSF schools cost three times what it costs to procure buildings in the commercial world, and twice what it costs to build a school in Ireland.

The programme could not be allowed to continue, so my right hon. Friend the Secretary of State for Education announced on 5 July that we would end the previous Government's school rebuilding programme. However, the end of the BSF programme does not mean the end of investing in our schools. We are still absolutely committed to rebuilding and refurbishing, but we do not believe that the BSF programme was spending taxpayers' money anywhere near efficiently enough, and money wasted on that programme was money that could not be used elsewhere, either in schools or other parts of the education establishment. We want to review all ways in which schools are built to ensure that money is allocated more efficiently, less expensively and, most important, more fairly. The cancellation of BSF does not represent the end of capital investment in schools. The review announced on 5 July will consider how the Department invests capital money, and its recommendations will help to shape the design of future capital investment in schools to ensure that we have enough school places in enough good buildings where pupils can learn effectively.

I turn to local education partnerships. As the previous Government's preferred mechanism for local areas procuring BSF building services, local education partnerships have been a major component of the old process. Although the reason for establishing LEPs was specifically to support BSF projects, some local authorities chose to use their LEPs for projects outside BSF, as happened in the case of Elmlea school, cited by my hon. Friend. However, whether or not LEPs are part of the BSF programme, they should take responsibility for offering value for money to the taxpayer in all their capital spending—indeed, we would expect nothing less. That is why we will be reviewing procurement and delivery models as part of the terms of reference in our capital review.

The aim of the review is to ensure that future capital investment represents good value for money and that it responds to schools' real needs. The review is already under way, and I shall not pre-empt its findings today. It

will report to Ministers in mid-September, and a forward plan for capital investment over the next spending review period will be produced by the end of the calendar year. However, it is as clear to me as it is to my hon. Friend that LEPs are part of a truly cumbersome process, which needs to be closely examined and fundamentally re-engineered to ensure that a higher proportion of our capital investment gets rapidly to the schools that need it most. I therefore congratulate my hon. Friend on the immense detail that she has given us on the LEP that covers her constituency.

Whatever the detailed outcome of the review, we must ensure that the views of head teachers, teachers, parents and local communities are more effectively and swiftly acted upon and that there is a much greater focus on achieving value for money. When it comes to procuring services to build schools, we should have proper accountability and real efficiency. That will be good for local areas, schools, pupils and the taxpayer.

I turn to the Bristol local education partnership. My hon. Friend said that the partnership was split 90% to Skanska and 10% to Bristol city council. I gather that the figures are 80% to Skanska, 10% Bristol city council and 10% to a local BSF partnership, which is a slightly different equation. I have deep sympathy with the plight of those in my hon. Friend's constituency who have suffered from the excessive bureaucracy of the current process. I hope the situation at Elmlea school can be resolved for the long-term benefit of the pupils, and that a solution is found that is efficient and effective and that represents good value for money.

The Bristol LEP has delivered four PFI-funded schemes on time and on budget, with six further secondary school projects in various stages of completion and a further three academy projects either handed over or under construction. Aside from one slightly delayed handover of a new building, its track record has been generally solid in terms of budget, quality and programme. However, the LEP model in Bristol has not proved so adept in delivering smaller-scale primary school projects where the needs of the local communities required a greater level of consultation and understanding. We are aware of the demand of parents in north-west Bristol for more primary school places and for more choice in secondary schools. We will have to wait for greater certainty about the various ideas that have emerged from there and the outcome of the review before decisions can be made, but whatever comes out of the review, we can be sure that future investment will be characterised by speediness and value for money.

I reiterate our commitment to investing in schools in Bristol and around the country. We have set out a comprehensive programme of reforms, founded on the need to make opportunity more equal. Part of that will be to ensure that schools across the country that need rebuilding and renovation will, in future, receive that money in a more timely and efficient manner. That is the only way to give every pupil in Bristol and beyond a better chance of success.

I congratulate my hon. Friend on having considered the problem, and I would be more than happy were she to highlight further anomalies in the local education partnership. If she refers them to the Secretary of State or the Minister for Schools, I shall ensure that they receive proper attention. I congratulate her on bringing the matter to a not entirely crowded Chamber, and I note that in her short time in the House as Member for Bristol North West she has made great endeavours to ensure a fairer and better education system for all her constituents.

Question put and agreed to.

5.6 pm

Sitting adjourned.

Westminster Hall

Thursday 22 July 2010

[Mr Joe Benton *in the Chair*]

National Lottery Reform

Motion made, and Question proposed, That the sitting be now adjourned.—*(Miss Chloe Smith.)*

2.30 pm

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (John Penrose): It is a pleasure to serve under your chairmanship, Mr Benton, and to have the opportunity to address Members on what is, by any stretch of the imagination, a British success story—the national lottery. It was set up under the previous Conservative Government in 1994 and has continued ever since, with some ups and downs, to perform an extremely valued job across the country. It has become an integral part of Britain's national life, principally because it gives so much to good causes. The figures are truly remarkable. Since it was set up 16 years ago, the national lottery has given more than £24 billion to good causes and funded more than 345,000 projects. I doubt that there is an MP in the current Parliament, and certainly in previous Parliaments, who could not tell stories of how those donations and projects have transformed the lives of some of their constituents. That is the case in every constituency across the country, from Lands End to John O'Groats. That is a measure of the national lottery's success and of how it has worked its way into the marrow of the nation's bones.

It is important to remember that one of the founding principles of the national lottery was additionality—an arcane piece of Whitehall jargon that means something very important. It means that national lottery funding for good causes needs to be in addition to core Government spending; it should not be used to subsidise or replace Government spending but should go to causes that would not otherwise receive funding. That is essential, because the four areas to which it gives money—heritage, sport, culture and what is now called the big society—all go to making the soul of the country work. They go to make Britain a better place to live in, rather than just somewhere that works okay. We would all be impoverished and diminished if the national lottery did not fund those things, and that is why it has become an accepted part of our national life. That demonstrates how successful and loved the national lottery and the projects that it funds have become.

Not to say that the national lottery is perfect. In the 16 years since it was set up, the world has moved on. It would be irresponsible for any Government, particularly a newly elected one, not to run over the figures with a slide rule and look at whether some things could be improved. The national lottery might be doing a vast amount right, much of which is tremendously valued, but can we give the tiller some small tweaks to improve what is already excellent?

Lorely Burt (Solihull) (LD): My hon. Friend mentions small tweaks, and what immediately springs to my mind are the small charities in my constituency, many of which have difficulty planning, sometimes even for the next year, because of the short-term way in which decisions on lottery funding pan out. When charities are turned down for funding, the reasons for the decision often seem inexplicable. That is especially true for small charities, which sometimes suspect that there is an element of fashion in the funding decisions and conclude that they are not in fashion that year and so are left to go to the wall.

John Penrose: I thank my hon. Friend for her intervention and make two points in response. First, it is always open to the distribution agents to award grants that can be disbursed over a period of time, sometimes several years, so that longer-term projects can be funded, and they do that already. It does not always happen that way, so I take her point. Also, the grant-giving bodies are sensibly at arm's length from political interference, and I suspect that all Members, regardless of their party, would applaud the principle that we do not want any politicians to be able to direct or interfere with the grant-giving process, because that way lies political favouritism.

Secondly, if my hon. Friend feels that there are clear examples of funding being granted according to fashion and the direction of prevailing winds, I encourage her to write to me. I would take that evidence to the lottery distribution bodies, following the principle of an arm's-length approach, to ensure that they are protecting themselves against such accusations so that a Minister, either me or my successors, does not take that up in the wrong way.

There are a number of things we can do to move the lottery on after 16 years. There is much to be applauded, valued, maintained and preserved in its current arrangements, but perhaps some things could be updated a little. The coalition Government have laid out a reasonable programme for that. For example, we want to examine the case for instituting a gross profits tax approach to the lottery. The lottery would be allowed to flex the rate at which it offers prizes and, in exchange, could drive up participation and ticket sales. The benefit would be that it could then win more money that could be disbursed to good causes. There are several important concerns about that proposal to be dealt with, not least the fact that the Treasury rightly wants to ensure that taxpayers, as well as good causes, are not disadvantaged. We have pledged to examine that, but good examples and interesting evidence from other gaming organisations indicate that that could be a productive and effective change, so we are looking at it seriously.

We want to reform the national lottery so that the arts, heritage and sport receive 20% of the money that goes to good causes, which was the original intention. In recent years, the funding for those areas has been cut, understandably, so that more can go to the Olympics, so their share is now down to 16.66%. We want to raise it to 20% again so that those important areas of our national life receive more of the cash. Given current projections, each of those areas would receive roughly £50 million a year extra as a result of that change. I am sure that Members from all parties would applaud that, as it clearly means that the benefits are being spread more widely.

Paul Farrelly (Newcastle-under-Lyme) (Lab) The Minister mentioned the arts, and we have all heard of the cuts of up to 40% that are being planned by the

[Paul Farrelly]

Department for Culture, Media and Sport. To what extent does he expect that the increased lottery funding for the arts will simply replace grants withdrawn by DCMS?

John Penrose: As I have said, an important principle at the heart of the national lottery is additionality, which should already be enshrined in the grants that DCMS makes and that the relevant national lottery distributors make, so there should be a firewall between the two. We must ensure that any proposed changes do not breach that firewall or that principle. All Ministers in the Department are trying to ensure that we do not breach that principle as we grapple, along with Ministers in other Departments, with the problems of dealing with the spending review. I am sure that the hon. Gentleman and others like him will scrutinise closely any announcements that are made to ensure that we are true to our word. I can assure him that we are being scrupulously careful about that.

Mr Mark Field (Cities of London and Westminster) (Con): The Minister will appreciate that he told only part of the story on moneys being transferred to the Olympics, because from the mid-1990s significant moneys went into the millennium fund, which came to an end shortly after the turn of the century. Many of us have been concerned for some time about the emergence of the Big Lottery Fund. There seems to be a grey area in relation to political interference and additionality, because moneys have been going into a range of projects related to health and education that many people feel should be, and probably in the past were, funded through general taxation. Will the Minister pledge to ensure that the Big Lottery Fund as it currently stands will be diminished, if not abolished, so that the arts, heritage and sport can be restored to their former glory?

John Penrose: I am afraid that I cannot pledge to abolish the Big Lottery Fund, but I can assure my hon. Friend that we share his concern about question marks over some of the donations from the Big Lottery Fund to individual projects in the past 10 years, and we are determined to ensure that such questions should not be asked in future. It is vital that Big continues to donate to the voluntary and community sector—it is an essential piece of the Government's agenda for the big society, as a way of building up and maintaining the kind of voluntary and local community action that is central to the Government's vision. Big, if managed properly and in the pure form we hope to get it in, has a tremendously important future. It will be refocused, sharpened and—if I may put it like that—purified, to match an agenda such as he has set out.

Mr Field: Without wishing to steal the Minister's thunder, or get in the way of other contributions, might an element of rebranding be in the Government's mind? Perhaps the Big Lottery Fund will be rebranded as a big society fund to achieve the very goals he mentioned.

John Penrose: I have to confess that we have not discussed the notion of the label on the door in any great detail so far. I thank my hon. Friend for his suggestion and am sure that it will be taken on board.

Alun Michael (Cardiff South and Penarth) (Lab/Co-op): I am pleased to hear the Minister talking about the need for consistency and predictability. No one could argue with his wish to refresh the funds and to consider whether they are meeting the intended targets. However, the rebalancing of the arrangements for the Big Lottery Fund in particular would have an impact on the distribution of funds which, at the moment, is needs based, ensuring that funds go to individuals and communities in greatest need. Can he reassure us about that? Wales in particular has fears that a reduction in the amount of money going through the Big Lottery Fund would reduce the overall level going to Wales. It would be wonderful if the Minister could set that fear at rest.

John Penrose: I am delighted to be able to help the right hon. Gentleman out here, and I hope to provide the reassurance that he is seeking.

We will be phasing in the share changes. Currently, they start from a 16.66% share, and we will raise them to 20% each over the course of the next two years. The right hon. Gentleman will have noticed that in two years the Olympic top slice of lottery funding will come to an end. Therefore, although Big's share will fall from 50% today to 40% in two years' time, it will be a smaller slice of a much larger pie, because the Olympic funds will then be part of the whole. As a result, if he does the calculations, he should see a steady increase in cash terms for Big as well as for the other good causes. That is certainly shown by all the figures that I have seen. That outcome is important, which is why we have phased the changes to match the end of the Olympic funding.

Mr Andrew Smith (Oxford East) (Lab): Going back to the question asked by my hon. Friend the Member for Newcastle-under-Lyme (Paul Farrelly), if arts bodies suffer a loss of grant as a consequence of the cuts by the Department for Culture, Media and Sport, will they be able to apply to the lottery to make good that loss?

John Penrose: The short answer to the right hon. Gentleman is that anyone is free to apply, but the real question is whether that application is successful. The test that I expect any lottery grant-giving operation would apply is whether the application matches its terms and conditions and fits the limitations that it can impose on funding. I expect that a fund would look very carefully at a straight one-for-one comparison, because it would be very concerned about breaching additionality. I know that lottery fund grant distributors are alive to that issue.

I go back to the response that I gave to my hon. Friend the Member for Solihull (Lorely Burt) a little while ago—because such operations are at arm's length, it is rather difficult for any Minister to predict or suggest too strongly what they will do. The decision, after all, is theirs, but I imagine that they would look at such issues tremendously closely.

Paul Farrelly: The Big Lottery Fund is an important body. Many groups will take some comfort from the fact that the Government have no intention to abolish or substantially diminish it—turning it into a small society fund, in effect. In my constituency, the Big Lottery Fund has never been criticised for being politically

correct or for making grants to bodies other than the thoroughly worth while. It has made grants of £3.8 million in my constituency since 2004.

One of my proudest moments in the previous Parliament was working with the lottery to get a £500,000 grant for the Peter Pan special needs nursery, which cares for profoundly disabled children from birth. The grant allows the nursery to operate comfortably for five years, giving it a secure future. I hope that such projects will continue to be funded and supported by the Big Lottery Fund, under whatever name the Government chooses in the future.

John Penrose: I completely agree with and accept the hon. Gentleman's point about the enormous amount of good will and love for how the lottery distributors have managed to fund all sorts of important good causes ever since the lottery began.

My party has criticised the fund in a small number of cases which, none the less, are important because of the risk to the reputation of the lottery. I do not want to go into huge detail now, unless pressed or provoked, but additionality was the issue on a number of occasions, potentially leaving the way open to damage of the lottery's reputation. None of us would want that to be a possibility even. It is important for the lottery to be like Caesar's wife and seen to be above reproach.

I will give way once more, but then I must make progress, because other people want to speak.

Mr Field: I would like to reiterate the sentiments of the hon. Member for Newcastle-under-Lyme (Paul Farrelly)—he is right. A small number of individual cases have been the subject of a hue and cry in the tabloid press. I once shadowed this role, as the Minister knows, and the point that I would like to make is more philosophical—it is about additionality.

One concern, worthy though much of the work is, is that perhaps the work funded by the lottery is taken out of the health, education or other government budgets. At the outset, the very idea of the national lottery was to provide additional money in areas that would otherwise not qualify for taxpayers' money, that are not run of the mill. Especially in such fraught economic times, which we have not seen in the past decade and a half, the danger remains that, however worthy many of the Big Lottery Fund's projects might be, we are essentially denuding arts, sports and heritage projects of money that they would otherwise receive.

John Penrose: I completely take my hon. Friend's point. I come back to the point that distributors such as the Heritage Lottery Fund—one of the lottery distributors that I am particularly involved with—are required at the end of every year to sign a piece of paper saying that they have satisfied the principles of additionality. The chief executive signs that piece of paper, taking personal responsibility. I am sure that that test will be applied to all the lottery distributors. Even if it was not part of the audit trail, if I may put it that way, I am sure that all hon. Members would want to make sure that it is maintained.

I want to move on quickly, because I am conscious of time and I want to leave time for other contributions.

I have mentioned a number of things that we would like to change, update and alter. I will mention one more. We want to ensure that the lottery distributors are a little more efficient and effective at distributing the cash at a lower cost. All of us are conscious that we live in an age of austerity. We all know that we are having to tighten our belts. We all know that we are all in this together—to coin a phrase—and we have to make sure that we are doing more with less. It is reasonable to ask the lottery distributors to ensure that they are as efficient as possible in distributing funds so that the largest possible proportion of the money reaches the good causes for which it is intended.

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): Would the Minister agree that the Big Lottery Fund is currently the most efficient of the distributors?

John Penrose: I would love to agree with the hon. Lady, but the difficulty at the moment is that the data are extremely—

2.50 pm

Sitting suspended for a Division in the House.

3.5 pm

On resuming—

John Penrose: I shall pick up where I left off when we vanished to do our democratic duty in the Lobby. The hon. Member for Kilmarnock and Loudoun had asked whether the Big Lottery Fund was the most efficient of the disbursing organisations. I was saying that nobody is sure which of them is the most efficient, mainly because they all illustrate their figures and report their numbers on slightly different bases. It is therefore difficult to ensure that we are comparing apples with apples when working out what their stated percentage of the funds disbursed is taken up in costs.

To reassure the hon. Lady, I have set the lottery disbursing organisations the challenge of agreeing a common set of reporting standards, so they all show their numbers in the same way, enabling us to make a direct comparison. We then need to ask whether those figures can be reduced and whether we can start to disburse the funds to good causes more efficiently and cheaply, to ensure that more money gets to the front line and reaches the people for whom it is intended.

There may be some legitimate reasons for variation: for example, at the moment the Olympic Lottery Distributor is one of the most efficient because it only has to distribute funds to one organisation, which is comparatively simple, administratively speaking—I am not saying that it is simple all round—whereas Big distributes to a very large number of smaller organisations. There may be legitimate reasons for differentials, but we need clear data, at least, telling us how to compare the distributors and that like-for-like comparisons are safe, and then we need to start looking for ways to reduce costs.

Katy Clark (North Ayrshire and Arran) (Lab): Many small community organisations applying for funding are frustrated because the system is bureaucratic and they require a huge amount of advice and support. Often, mentors are allocated to such organisations to assist them through the process. Are the Government considering simplifying the procedure, particularly for small voluntary organisations seeking support?

John Penrose: The hon. Lady is right to mention that the administrative costs of disbursement do not fall only on the lottery distributors, although that is clearly part of the process; they also fall on applicants, and the more complicated the process, the larger the costs that fall on them. I expect lottery distributors that are trying to re-engineer their internal processes to make themselves more efficient to consider the entire system cost. I am waiting to see what they come back with and how they think they will react, but I suspect that they understand the importance of ensuring that more money gets to the front line, to be used in the right way. I am sure that they will want to do that without my telling them, because they will hear about it from the people they are disbursing the money to.

I hope that I have, through the highways and byways of various interventions and questions, illustrated some of my points. I hope that I have set out not only the Government's position on the national lottery, which is that we can all be proud of it and we want to maintain, preserve and enhance it in future, but that there are a number of aspects that can and should be improved. The world has moved on in the 15 or 16 years since the lottery was set up and certain developments are needed. I look forward to hearing comments from hon. Members from all parties and, given the chance, to responding to them.

3.9 pm

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): I refer Members to the Register of Members' Financial Interests, where I declare that I am a trustee of the Barony 'A' Frame Trust, which has had substantial funding from the Heritage Lottery Fund. I also stand here as a an arts graduate from the Glasgow school of art and Goldsmiths, university of London, so far be it from me ever to suggest that money is not well invested in the arts. I have also been an active supporter of a number of heritage projects in my area and across Scotland, and I stress my support for them. However, I am concerned about the proposals outlined by the Government, because there are general implications for some of our more disadvantaged communities, which, although they were not given special treatment under the previous arrangements, were at least recognised. I also want to raise interests specifically relating to Scotland.

First, let me pick up on the question about efficiency. As the Minister recognised, it is possible in theory for an organisation that simply disburses funds to a small number of large projects to be relatively efficient. He rightly accepted—I was glad to hear it—that the Big Lottery Fund, which deals with a large number of small grants and assesses many different proposals, might not, on the face of it, look so efficient. I understand, however, the Big Lottery Fund itself believes that it has got efficiency down to a fine art and that it is able get the best value for money.

Another important point, which was mentioned by my hon. Friend the Member for North Ayrshire and Arran (Katy Clark), is that many of the small organisations that apply for funds require support in capacity building; they do not have the infrastructure to produce business plans or elaborate proposals to sustain themselves as organisations over months and sometimes years in order to secure funding, given that many use a cocktail of funding from different sources. It is therefore important to recognise that the Big Lottery Fund's overheads are not simply about administrative costs, but about capacity building and support costs. I was pleased to hear the Minister refer to that, and I hope that he can give further reassurance that that will be taken into account.

I mentioned that I share some of the general concerns about the Big Lottery Fund. I am particularly worried about the aspect of additionality. We have not yet heard fully how it will be assessed. I have heard people express concerns about how cuts in departmental budgets for arts and heritage projects and moving Big Lottery Fund money into such projects will inevitably result in things that were previously funded by the Government taking lottery money away from smaller organisations that would otherwise have benefited.

The Minister talked about projects in the grey areas that should perhaps not have been funded. I am not entirely persuaded that we had answers on that, either. At a time when local government and other parts of the public sector are feeling the squeeze, I am not sure that the Minister has given a compelling explanation of how local authorities will be able to fill the gaps that will be created if the lottery funding stream is taken away from local communities.

I am particularly concerned about schools and other parent-led organisations in local communities. On the face of it, an application from a school might look like something that the local authority should deal with, but it might in fact be a matter of a group of parents working with a school to provide activities after school—after-school clubs are an obvious example, but I have also seen eco-garden projects in schools in my constituency, which are linked to improving the local environment. Other projects have provided children and young people with sporting opportunities which they might not otherwise have had. That has not been fully addressed.

There is a particular issue in Scotland. Scotland receives 11.5% of the total Big income in the UK. That is because the income is apportioned by applying the Barnett formula plus a weighting for deprivation to recognise the particular circumstances in Scotland, but it is my understanding that none of the other lottery distributors reflects that. Any change in the shares is therefore likely to result in an overall net loss of available lottery funding in Scotland, which is a concern for me. I appreciate that the Minister has tried to give me some assurance on that, but can he guarantee that Scotland will not lose out as a result of the changes, when it is secure under the current regime?

John Penrose: I will not interrupt many speeches, but the hon. Lady asks a direct question and I thought that I might be able help. As I am sure she would expect, we have done some calculations. Last year, the Big Lottery Fund's total income was £564 million, so 92%—the percentage that Big says it gave to voluntary and community services last year—works out at £520 million. With a 40% share, the projection for Big for 2013-14—after the Olympic transfers end—is £630 million. We are therefore comparing £520 million with £630 million, so the hon. Lady will see that there is a large increase UK-wide. If we apply that to Scotland, the figures for Big come out at £54 million beforehand and £65 million afterwards. The result should therefore be a net cash increase, which I hope reassures the hon. Lady.

Cathy Jamieson: That is a reassurance. I will watch the matter with great interest and no doubt scrutinise the figures in more detail when I have time.

Another issue that concerns me is the proposals to restrict lottery funding 100% to the voluntary and community sector, which will have a real impact on schools and other organisations. About 90% of the funding already goes in that direction, so what is the point of cutting that 10%—the very small grants to very local organisations that really benefit from them? When I looked at where the money went in my constituency, I discovered that many of those small grants are linked to things such as arts projects—for example, a dance project in a special needs school—or community arts. It might include things such as local community councils being able to apply to put their Christmas lights up or to decorate the village for festivals. These things might not seem important in the global scheme of things when people are looking at very large sums, but a few hundred pounds can make a difference to the quality of life of people in such communities. Similarly, many of the relatively small grants were going to projects that involved getting young people actively involved in sport.

I hope that the proposals can be looked at again in full, because they may have unintended consequences. I say that as gently as I can, which is not my usual style. I am usually a bit more robust, but I am trying to say very gently that there may be unintended consequences, and I seek an assurance from the Minister that he will go back, look at the issue again and seek to ensure that there is proper consultation with communities.

Many organisations have had funding from the Big Lottery Fund and the relatively small grants to them have had a big impact. I do not want us to get into a situation where Awards for All becomes awards for some. Everyone in local communities should have the opportunity to have their say. Will the Minister address that point when he winds up the debate, and will he consider how communities and organisations that have received grants will be consulted?

3.18 pm

Stephen Gilbert (St Austell and Newquay) (LD): I am grateful to have been called in what is clearly an important debate. I will be outlining the Liberal Democrat position on the reforms in place of my hon. Friend the Member for Bath (Mr Foster), who could not be with us today. Before I do that, however, I want to acknowledge how incredibly valuable lottery money is.

When I think of the odds of winning the lottery, a saying comes to mind: "Don't bet on the lottery, bet on yourself." However, the fantastic thing about the national lottery is that that is exactly what it allows us to do; it contributes hugely to the things that allow us to better ourselves as individuals, as members of our local communities and as a country.

The various arts councils contribute to the UK's artistic culture, which is one of the most exciting in the world. Our arts help to drive our immensely successful creative industries. However, they also nourish the inner life of everybody who engages with them. The sports distributors support activities that improve health and longevity. They promote not only self-esteem and the drive to succeed as individuals, but teamwork and co-operation.

As a country we have been bequeathed a physical heritage that is part of our national character, which the Heritage Lottery Fund helps to maintain. It also helps to preserve our local identity. In St. Austell, the Heritage Lottery Fund has provided £850,000 to regenerate the china clay museum where I worked before being sent by my constituents to this place. The museum celebrates the history of the china clay mining communities in the heart of Cornwall and provides a fascinating insight into how the industry changed and shaped the environment that I represent.

I recently attended the opening of a local art exhibition on the theme of Newquay and the sea, a display of 19th century paintings, many of which were owned or created by local people. That also benefited from £10,000 of Heritage Lottery Fund assistance. Through Big, lottery funding is directed to a host of other community groups and volunteers working on all manner of important projects. There are other benefits from promoting all those good causes and organisations—far more than I can list here—which work very hard. Indeed, as the Minister said, we have all benefited from the £24 billion that the lottery has generated for them since its creation. That does not mean that improvements cannot be made, and the coalition Government are right to look at ways to make the most of lottery money.

The lottery reforms, as has been mentioned, will lead to a boost in funding for the arts, heritage and sport. The relevant distributors have welcomed the changes. The Minister will be aware that no one funding stream can completely replace another: £1 million of public money is not the same as £1 million of private money, and £1 million of lottery money is something else again. There are plans to boost private donations for the arts, for instance, and that is welcome, but we must still try to ensure that risky projects, smaller groups and organisations based outside London, such as in the constituency of the hon. Member for Kilmarnock and Loudoun (Cathy Jamieson) or, indeed, in the south-west, all of which may be less appealing to private donors, do not miss out in the reforms. We must remain aware that sometimes funding is conditional. Money is offered from one source only because another has signed up, and if one goes there is a risk the other will also be withdrawn.

Therefore, the boost in lottery funding will not be a panacea, but it is still an important step. To make the most of it we need to ensure that cuts will not be implemented immediately, but phased in gradually. I understand that statutory instruments to enact changes to lottery distribution will be laid in September, according to recently published DCMS plans, but it will be 2012 before distributors receive their full 20% of good cause funding. Bearing in mind that £88 million of cuts have already been found this year, our side of the coalition would like reassurances that spending reductions will be restrained until that money comes into play. As the Minister said, the money that was redirected towards the Olympics will also start to find its way back, and will provide some relief; but we seek further reassurances.

The coalition agreement contains a promise to look more closely at a gross profits tax system for the lottery. Camelot's figures showed that that would generate many millions of pounds of extra income for the Exchequer, but there has been little movement since the coalition agreement was published, and I should be grateful if the Minister would tell us what recent discussions have

[Stephen Gilbert]

taken place with the Chancellor about gross profits tax, and when we can expect further announcements. Overall, we want greater urgency from the Government on those points. Most importantly, I urge the Department not to front-load the cuts but, instead, to phase them in, so that they begin to bite only when the new funding sources that I have mentioned become available.

That brings me to the matter of how we handle cuts to administration. Under current plans, lottery distributors will be instructed to reduce their spending on admin to below 5%. It is of course right to make the most of limited funds and ensure that they are spent as efficiently as possible, but, again, such cuts need to be implemented intelligently. As other hon. Members have said, and distributors have made clear in representations to us, distributors are not just banks doling out large sums of money. Indeed, the Public Accounts Committee, in a report in 2008, considered the efficiency of grant making and said:

"The Big Lottery Fund has increased the spread of successful applications across the United Kingdom and from different social groups".

The report goes on to stress the importance of making funding available to small organisations, and stimulating higher-quality applications. To provide the support needed to make that happen, distributors need dedicated backroom staff. Such staff should be seen as valuable assets, not unnecessary paper-pushers.

Mr Ben Bradshaw (Exeter) (Lab): It would be helpful to hon. Members if the hon. Gentleman would explain when the Liberal Democrats changed their policy from their manifesto commitment of protecting spending on arts and culture, which the hon. Member for Bath (Mr Foster) repeated ad nauseam before the election, to their present supine acquiescence in what are likely to be savage cuts by the coalition Government.

Stephen Gilbert: The right hon. Gentleman was a member of the Government who left the country in a situation that meant that some difficult choices had to be made in the negotiations between the two coalition parties. If he lets me finish my remarks he will see that I am trying to encourage my right hon. and hon. Friends in the Government to make the changes as softly as possible.

Backroom staff should be seen as valuable contributors to building the capacity of the sector. Even if a small organisation does not eventually succeed in securing a grant, the recommendations that a distributor makes can improve the operation that it is advising. The risk is that distributors will have to make a few large grants because making lots of small grants becomes too expensive. Small organisations should not lose out as a result of cuts. For that reason, such "hand-holding" should not fall within the definition of administration; I should be grateful if the Minister would address that point.

I have mentioned the PAC's assessment of Big and its valuable work. My constituency has benefited from around £4.5 million in Big awards since 2004. Some of them are as large as the £1 million given to the Eden project; others are as small as the few hundred pounds offered to war veterans, their families and their carers, so that they could travel to memorial services or the places where they saw active service. There are already many deprived communities around the country and the challenges that they face will not get any easier as we try to get a grip on the country's miserable financial situation—an unwelcome gift from the previous Administration. Big, and the organisations that it supports, will have an important role in creating opportunities and making such places better places to live. I note that some have received more money than others in the past, and that some—including places in my own constituency—are much more deprived than others. I urge Big to rise to that challenge, and funnel money where it is most needed.

Overall, I welcome the Government's intention to prevent abuses of lottery money. Lottery funding is not a piggy bank to be dipped into to plug Government spending or fund ministerial pet projects. However, we are concerned that limiting Big to funding the voluntary and community sector only could mean that a lot of good projects miss out. There are concerns that individuals could no longer be funded—such as the veterans I mentioned from my constituency, who were helped by the "Heroes Return" scheme. Sometimes a statutory body, such as a parish council, or a school, may be better placed to implement a project. If the aim, for example, is to reduce antisocial behaviour, and a school can do that by putting on after-school activities, why not give the money to the organisation that is best placed to do that? Biscovey junior school in my constituency received an award to do just that by involving older boys in its choir.

Dr Thérèse Coffey (Suffolk Coastal) (Con): I respect the hon. Gentleman's arguments, but is there not a risk that when organisations, such as schools with after-school clubs, try to do more and more activities, it will start to dilute their original purpose? The same is true of a parish council. Perhaps instead voluntary organisations could be allowed into that area to provide different solutions, rather than dealing with things in a state-controlled environment.

Stephen Gilbert: It depends on one's understanding of the big society. My understanding is that we should be encouraging more groups and individuals to participate in creating vibrant, thriving communities; it will depend on the organisations.

I have talked about the need not to exclude the groups that are best able to carry out projects from receiving the money. There are relevant groups benefiting from the 8% of Big funding that does not go to the voluntary and community sector. It makes sense to make the most of what they can offer, rather than shutting them out completely. We might consider some kind of community benefit test. That would achieve our goal of ensuring that lottery money is not being used to plug gaps in local service budgets—I think that was the point that my hon. Friend the Member for Suffolk Coastal (Dr Coffey) was making—but would still allow Big to fund projects that clearly benefit the community, even if the funding goes to a statutory body, a social enterprise, or an individual. It would have the added advantage of future-proofing Big. When the lottery was first created, we did not anticipate the increasing importance of social enterprises. It is important that any restrictions on Big are flexible enough to enable it quickly to embrace future innovations and changes. I welcome the

recent announcements about the big society bank, which will work to enable similar projects, but it seems worth giving the Big Lottery Fund the flexibility also to fund projects in its own way.

There are concerns that voluntary and community organisations could see a reduction in the amount of funding that they receive if Big has its funding capped at 40%. Currently, it receives 50% of all good cause money, of which 46% goes to VCOs. I hope that the Minister can provide some reassurances on this matter, as well as considering the other suggestions that I have made.

3.30 pm

Alun Michael (Cardiff South and Penarth) (Lab/Co-op): I chair the all-party group on the community and voluntary sector, and it is particularly pleasing to see in the new Parliament new Members on both sides of the House taking a real interest in the issues affecting that sector, as well as volunteering and charities. I suspect that that will be reflected further in this debate. I welcome the consultation and opportunity to debate how the lottery funds should be redistributed after the Olympics, when additional elasticity is provided in the way the Minister described. I am certain that restoring the levels of funding for sports, arts and heritage will be important for the next decade.

Responding to a comment by a Government Member, I have to say that I do not accept that either the extent of the cuts in Government expenditure or the precipitate nature of the cuts, which puts private sector growth at risk, is necessary. All the parties certainly knew that we were facing difficult financial circumstances, and that was reflected in what was said in advance of the election by my party. The Liberal Democrats in particular cannot abandon almost everything that they said in the run-up to the election using the excuse that they had somehow failed to notice an international crisis that was affecting our national finances. They put up a set of propositions in the light of well known financial circumstances and were clearly cavalier in what they said, not expecting to be in a position of having to make decisions in government.

One problem is that the precipitate nature of some of the cuts is damaging to some of the poorest communities throughout the country. For example, in Wales, dependence on employment in the public sector is higher than in many other parts of the United Kingdom. That means that public sector cuts are likely to undermine the capacity of private businesses, particularly small businesses that serve the community, when money is extracted from those economies. We must treat that seriously. I make those comments not to stir up controversy with the Minister, but to correct the excuses that were offered by his Back Benchers.

It is certain that lottery money will be important in giving funds to important activities and in many cases attracting additional funding from other sources. I applaud the Minister's response on the importance of maintaining additionality. It will be philosophically difficult to maintain that when funding is sought for good projects that will provide value for money and for local communities; however, I think he has accepted the challenge to apply the right principles. It is important that that does not result in funds going only to communities that are better off and perhaps have the resources to prepare a good case for their projects.

Mr Andrew Smith: My right hon. Friend brings enormous expertise and experience to this debate. In relation to shaping the balance of national lottery allocations for the future, what does he think of the proposition that the views of the people who play the lottery, whose money ultimately funds those projects, should be taken more widely into account when deciding where the balance of priorities should be?

Alun Michael: There are two points to make, I think. First, those who play the lottery are contributing and should have something to say. Secondly, many of them are from more deprived communities and are less well off. I spoke to someone about the fact that many of those who play the lottery cannot afford to do so. A friend of mine who was representing a deprived community in my constituency made a good point when he said that the more deprived someone is, the more difficult it is to make ends meet and to provide for their families, so the more they need something to provide hope. The gamble and the likelihood of a return may not make sense, but they are buying a dream, not a ticket. If the way people buy that dream leads to a contribution that is likely to come back to their community and help people in similar situations, surely that principle should be pursued. That is a good way of introducing a point that I want to emphasise: a needs-based approach is important, and that has been the approach adopted by the Big Lottery Fund. I hope that it will continue.

The Minister made the point that we will be talking about the funds that go into the Big Lottery Fund being a smaller proportion of a larger sum, so there will at least be an increase in money terms, but I would prefer a greater proportion of increased funds to go to areas and communities with the greatest needs. That is the essence of a needs-based approach. It is not impossible to achieve it while pursuing the Minister's objectives. For example, it might be a question of emphasising the importance of a needs-based approach to the other lottery funds. There is more than one way of achieving a specific outcome, but I hope that the Minister will undertake today to consider how best the needs-based approach can be protected within the new arrangements for the Big Lottery Fund, and perhaps the other funds.

The Big Lottery Fund formula for allocating funding within the United Kingdom—I believe that this applies to Scotland and Northern Ireland as well as Wales—is based on need rather than population. Wales is likely to be worse off from any change in shares, unless that point is taken on board. The Minister has a pleasantly listening visage this afternoon, so I hope that he will take my points into account.

We need a larger proportion of a larger sum to go to the places in greatest need, but that does not necessarily apply only to the crude figures of the distribution between different lottery funds. The Big Lottery Fund distributes its money to charities, health, education and the environment, and its mission is to support people and communities in the most need. That is why I am concerned about the consultation. The Minister seems to have someone sitting behind him who specialises in shaking her head, but I have given a factual description of how the Big Lottery Fund works.

Dr Thérèse Coffey: I am shaking my head because I completely and fundamentally disagree with the right hon. Gentleman's proposal. Unfortunately, I cannot

[Dr Thérèse Coffey]

stay for the whole debate, but if I am called to speak I will make precisely the opposite plea—that we get rid of the politically correct nonsense formula, and allow the lottery to be what it is: additional funding that celebrates communities throughout the country, not just more politically correct indices that the Labour Government dreamed up.

Alun Michael: I am glad that the hon. Lady has exposed her views, but I hope that the Minister will take a more intelligent approach to what I am saying. I am not talking about political correctness; I am talking about the difficulty of getting money to the most deprived communities that lack resources. As my right hon. Friend the Member for Oxford East (Mr Smith) pointed out, those are the communities that contribute most to the lottery because people are buying a dream.

The Big Lottery Fund has sought to enable such communities to develop the skills and contributions of individuals who often have a great deal to offer but struggle to do so. Often, the lack of an infrastructure as well as the lack of money in those communities acts as a considerable obstacle to bringing projects forward. I have worked in deprived communities in my city of Cardiff and within my own constituency. Those communities do not lack commitment or a degree of energy; what they lack is money and often a professional infrastructure among the people who live there, so they often find themselves at the end of the queue when projects are proposed.

Such communities often lack the capacity to produce big schemes, because planning, infrastructure and voluntary contributions by architects and so on can make a big difference to achieving projects that meet the criteria of the different lottery funds. I do not think that what I said is controversial. I thought that the Government were intent on creating a big society that involves the concept of inclusiveness. The hon. Lady is expressing the political correctness of the right in—if I may say so—a most unpleasant and worrying manner. I hope that we will hear later that that is not the view of the Government as a whole.

The Secretary of State stated his desire to protect the voluntary and community sector and proposed that the Big Lottery Fund should exclusively fund that sector. I am instinctively sympathetic to that approach because it is too easy for funds to slide into the public sector rather than the voluntary sector, where more effort is sometimes required. I share the concern expressed by the hon. Member for St Austell and Newquay (Stephen Gilbert), and I hope that the Minister will take care to leave some flexibility so that priority and preference is given to funding outcomes that will actually be delivered for the local community, while allowing some discretion for lateral thinking and for those communities that struggle to obtain the necessary infrastructure. At least I can agree with the hon. Member for St Austell and Newquay on that. It is right to have tight criteria, but it also makes sense to have some flexibility.

I hope that the Minister will reassure us that the three essential principles laid down to underpin the national lottery will continue to apply. The first is the independence of the lottery distributors, which are independent of Government but accountable to Parliament and have the freedom to take decisions on funding priorities and specific grant allocations, after consultation. Second is the principle of additionality, which the Minister has already markedly underlined, and third is sustainability, meaning that lottery funding should cover the full cost of the activity being funded with the aim of helping organisations to deliver and sustain the project throughout and beyond the life of the grant.

I ask for care in portraying the national lottery as an efficient way of giving to charity. The Minister has said that the lottery raises considerable funds that go to charitable, voluntary and community purposes, and that is correct. However, it is fair to note that if gift aid is used, a £1 donation given directly to charity results in £1.23 for that charity, whereas only 28p in every £1 spent on the lottery goes to good causes. I make that point not to undermine the effectiveness of the lottery, but to suggest that if people want to give to a good cause, additional value is created by donating with gift aid and a greater sum will go to that good cause.

I agree with the point made by the hon. Member for St Austell and Newquay about the danger of misunderstanding how administrative costs work. It does cost more to give funds to smaller and more community-based organisations, but often that funding will have a disproportionately large benefit in those communities. Small sums of money can sometimes attract other, greater, funds. When I was responsible for national parks, I set up funding through the sustainable development fund to encourage community-based projects within national parks, based on the principles of sustainable development. That led to millions of pounds of other money coming in from organisations such as parish councils, charities or from business donations and contributions from individuals who wanted to take part in a community project. It was beneficial because everybody could see the value of bonding together to produce positive outcomes that were good for the national parks and for the communities and voluntary organisations, such as youth clubs, that used them.

Sometimes the value of small grants is greater in terms of long-term impact than that of big sums of money. However, it takes more time and administrative effort to achieve those outcomes. Applying simple proportionality in judging administrative costs is too crude, and I hope that the Minister will acknowledge that and take it into account when he responds to the debate. I welcome this opportunity to debate this subject with the Minister, and I hope that he will take account of the constructive points that have been raised.

3.47 pm

Richard Fuller (Bedford) (Con): I am indebted to you, Mr Benton, and to the Minister for the opportunity to debate the national lottery and the Big Lottery Fund.

Although I will focus my remarks mainly on issues relating to social enterprise, I would also like to pick up on a critique that was made of my hon. Friends the Liberal Democrats, suggesting that they had not noticed that there was a financial crisis. Those of us who witnessed the extraordinary sense of denial about the financial crisis in the last Government regard that as a somewhat breathtaking criticism. Perhaps a few minutes in front of the mirror might be worth while for Labour Members. Such comments undermine some of the good

points they were making, particularly the exhortation regarding the importance to charities and social and voluntary organisations of long-term planning—something that was particularly absent in the latter months of the last Government.

Before looking at social enterprise and the implications of the statements that have been made today, I want to ask the Minister whether as part of his review of the lottery since 1994—I think he mentioned small tweaks on the tiller—he intends to look at some of the concerns about the impact of the national lottery on gambling. In particular, will he look at the regressive nature of the lottery in taking money from people on low incomes and its general impact on encouraging people to gamble? Those are not necessarily substantive points for the review he mentioned today, but it would be helpful for hon. Members to know whether such matters will be part of it.

In my comments on social enterprises, I am informed by and indebted to the Social Enterprise Coalition and to Michele Rigby. Michele runs Social Enterprise East of England, which is based in my constituency. I would appreciate the Minister's response to a couple of questions. The first relates to regulation and registration. There are concerns that too tight a focus, particularly on charitable purposes, will have the unintended consequence of rendering a number of social enterprises unable to undertake the very important work that many hon. Members on both sides of the House want them to continue.

In a recent survey, 62,000 social enterprises were listed. Many of us might think that the number is much more substantial, but there are certainly 62,000. If I may, I shall give the Minister the relevant numbers in case he does not have them to hand. The maths does not add up to 100%, because of double registration, but 37% were listed as registered charities, 59% as companies limited by guarantee, 17% as community interest companies, 12% as industrial and provident societies or co-operatives, and 9% came under other forms of registration.

Can the Minister provide some assurance that as we look to the ways in which the big society's remit is written, social enterprises that are not listed as registered charities will not be excluded purely on that basis? As the organisations are regulated in a number of different ways, it will be important to consider that as well. Those registered under a trust deed or a charitable constitution are, I think, registered and overseen by the Charity Commission.

Cathy Jamieson: Given the hon. Gentleman's support for the social enterprise and co-operative sector, which I welcome, does he agree that it would be somewhat iniquitous if independent, private schools, which have charitable status, were able to apply for some of the funding when some of the very organisations that he describes would not be able to do so?

Richard Fuller: The hon. Lady makes a very wise point, from her point of view. In my constituency, there are splendid independent schools, which are fully involved in their charitable endeavours and do not see a conflict between the two, but see them as mutually reinforcing.

I was making a point about the registration of social enterprises. I think that companies limited by guarantee are regulated by Companies House, and community interest companies obviously have their own regulator, so will the Minister be kind enough to confirm that in the regulation of social enterprises, that will not be listed as the sole reason for their exclusion under the new rules? That would provide a lot of reassurance to many of the organisations that we are talking about.

My next point is about the important principle of additionality, which now applies in a very different economic circumstance for our country. At a time of retrenchments and necessary deficit reduction measures, it is easy to call that principle into question. That would be unfortunate. However, there are some potential tensions between the principle of additionality and the other goal—promoting the big society—part of which I have addressed through the registration of social enterprises. If we want the big society taken from a vision to a reality, we shall have to rely on the vibrancy of our social enterprises and small community groups and their ability to step up and achieve the things that we are talking about. There is a fierce urgency about enabling those organisations to have the capacity in place to do that. The hon. Member for Kilmarnock and Loudoun (Cathy Jamieson) made a very good point about that, which I shall turn to in a minute.

As the Minister rightly said, the issues about disbursement are correctly at arm's length. We would not like political interference in that, but can he give me some idea of whether there will be any review of the guidance to disbursement organisations, so that the overall ambitions that we all share, of seeing a more vibrant civil society and social society, are not affected because of the urgency of the times in which we are living?

My next point is about capacity building versus short-termism. In many of our constituencies, there will be charities and non-profit organisations that have been delighted to receive funding from various sources—not just national lottery schemes, but other sources. For 18 months or two years, they can start to live their dream and build their future, but then they are cut off precisely when they are starting to get traction. One concern about the programmes under the previous Government was that a solution was never found—presumably because it is extraordinarily difficult to find one—to overcome that problem.

Capacity building in social enterprises is more important now than it has ever been. We shall be relying on social enterprises to take on many more responsibilities than they may have anticipated, to achieve many of our social goals. In the review, will the Minister consider carefully how lottery funding can focus on capacity building? There have been very sensible recommendations from a number of Members, particularly the hon. Member for Kilmarnock and Loudoun, about low-cost applications. Making applications really is a bugbear in terms of an organisation's capacity to apply and the cost of applying. There should also be more encouragement for multi-year funding of social enterprises and charities, because with that effort in place, there will be a much better long-term impact in our communities from the good works that are the objective of the national lottery fund.

Alun Michael: The hon. Gentleman makes a very important point. As I listened to what he was saying, it occurred to me that a fresh look at issues such as tapering might be worth while. In the old urban funding periods, for instance, there was a period when people

[Alun Michael]

knew what the funding was and then a couple of years when there was diminished funding, which sometimes facilitated finding new partners to ensure longer-term viability for a scheme.

Richard Fuller: Tapering is one option, and it is not a bad one. Actually, it is a very good option—I had not thought of it. Furthermore, with the introduction of organisations such as the big society bank and with more pressure on private enterprises to be more involved and to move beyond corporate social responsibility and into really investing in the fabric of our civil society, it would be helpful, if it was in the Minister's remit, to connect funding sources—perhaps the initial seed funding that comes through the national lottery and the Big Lottery Fund—to other organisations. That could ensure that transitions in funding from one pot to another are handled better and that more signposting is given in the initial grant—"We will fund you for x number of years" or "We will fund you for this amount and after that, these are the two or three funding sources you can go to". I thank the right hon. Member for Cardiff South and Penarth (Alun Michael) for making that very good point.

3.58 pm

Katy Clark (North Ayrshire and Arran) (Lab): It is a pleasure to have the opportunity to make a contribution to the debate, which is important for our communities and many community organisations. I shall echo some of the points that have already been made. It is only fair to say that there is a great deal of concern that Scotland will see a net overall reduction in funding from the lottery as a result of some of the proposed changes. Will the Minister examine that?

A number of hon. Members from Scottish constituencies are present. That is because in Scotland at the moment there is conversation and discussion about the proposals, and much of its content is that Scotland will fare badly as a result of them. That would be very sad, particularly as there has already been considerable debate in Scotland about the implications of the funding of the Olympics and the withdrawal of funding from Scotland, and many other parts of Britain, as a result of lottery funding being targeted on the Olympics.

I fear that the effect of some of the proposals may be to target funding on more built-up areas, particularly cities and centres where many large institutions are providing arts and other facilities to the community. I say that partly from my experience over the past five years of representing a very rural constituency and working with a wide range of different organisations that have been trying to obtain funding, not just from the lottery, but from other bodies, such as the Scottish Arts Council and a range of other public sector bodies.

Quite often, there is a view that arts institutions in particular should look like the kind of organisation traditionally seen in cities. Therefore, organisations such as the West Kilbride Craft Town in my constituency, and a range of other arts bodies trying to do important work in a more rural environment and in small communities, have found it difficult to get arts funding. That should be looked at, particularly in the light of some of the Government's proposals.

It is important that rural, poorer, more deprived and working-class areas benefit from the proposals that emerge when the Government decide on the matter. Some powerful points have been made about who buys lottery tickets, and whether those people and their communities are the ones who benefit at the end of the process of lottery allocation. Those arguments may not be made often, but there are important principles that should be taken into account.

As a Member of Parliament since 2005, I have met numerous community organisations and individuals to discuss applications to the Big Lottery Fund, as has practically every constituency MP, I suspect. New Members will have a huge amount of experience of that over time. It is fair to say that my views are anecdotal and probably reflect my constituency. If I represented a different kind of constituency, I would probably make other points, depending on my experience.

I have concerns about the social policy implications of some past policies, which have encouraged institutions in our communities to move into the voluntary and community sectors rather than link with the public sector. I represent an area that was traditionally wealthy, because it was very industrialised, having gone through the industrial revolution early. As a result, we have many small communities with a proud history and impressive buildings, but without the wherewithal to maintain the infrastructure that was developed over time, so old buildings are falling into a great state of disrepair. Almost every community in my constituency has public buildings such as Saltcoats town hall, which is gorgeous but is falling to pieces and boarded up at the moment. Another example is Walker hall in Kilburnie, a town built on industries such as Knox rope, which was sold all over the empire and fuelled the construction of impressive buildings that are not being maintained.

In general, the state has taken over ownership of those buildings. However, because of the way national lottery funds operated in the past it has not been possible to get funding to regenerate them. I am not talking about long-term maintenance because that is a slightly different issue. Pressure has been put on community bodies—for example, voluntary committees that help run those halls—to move into the private and voluntary sectors, so that they can apply for funding. As a matter of public policy, it is appropriate for the national lottery and for Big to provide one-off funding to try to regenerate our communities and buildings of that nature, but that should not involve communities having to take on long-term responsibility for running those institutions, when other parts of the community, such as the council, might be willing to do so. I am concerned about the way in which the funding rules have operated to date, in that they influence the decisions that people make in communities.

I am concerned about the administrative role that local organisations have had to play—the fact that it is necessary to create a business plan when making a relatively small application for funding. People in communities without the skills to present a successful application have to professionalise themselves and put a huge amount of work into making applications. Communities that do not have to hand architects, solicitors and surveyors willing to provide their services free are at a disadvantage. More middle-class communities, where there are individuals who can assist and can present applications, will be at an advantage. No community

should have to put a disproportionate amount of trouble into making an application. That is something the Government should look at when they consider the matter.

The approach has partly developed from a very cautious decision-making process because money is involved, and organisations have to account for it to the public and the Government. They want to be careful that grants can be justified and are for viable projects, but that makes it difficult for local communities to make applications.

I echo some of the points made about long-term planning and the fact that there has often been a short-term approach to funding. An early experience I had in my constituency concerned the Three Towns Healthy Living Centre, which was set up partly with the support of lottery funding, to provide preventive health services in the community. Eight such healthy living centres were set up in Scotland in deprived communities. According to those who used and had contact with them, they were very successful. However, they were not the kind of project that the NHS was ever going to take on and at the end of the funding period, they had to wind up. We have seen that again and again with the lottery. That point needs to be taken on board. Is it responsible or realistic to provide funding to set up services on a short-term basis if others—whether in the private or public sector—will not come in to fund those projects? I think it would be acceptable for the lottery to say it will fund such projects on a much longer-term basis and that those decisions should be taken in the long term, rather than the short term. It would be helpful if the Government could look at that.

There is great concern that there may be problems with some proposals, particularly at a time of significant cuts in the arts, museums, culture and, no doubt, many sporting facilities, if Government policy is implemented. Although extra funding for that part of society will be welcome, there is concern—particularly if we are to be living through difficult times—that many community organisations and small projects will lose out, if some of the proposals become reality. I ask for that to be taken on board.

4.9 pm

Dr Thérèse Coffey (Suffolk Coastal) (Con): I had not planned to speak today—if *Hansard* asks for my notes it might not be able to make head nor tail of them—but I felt compelled to speak after intervening on the right hon. Member for Cardiff South and Penarth (Alun Michael). I do not always attend debates to make a speech; I often come to listen, but I enjoyed today's debate so much that I feel I have to join in.

I welcome the lottery. It is John Major's greatest legacy. He may claim that his greatest legacy is the golden economic legacy he bequeathed to new Labour, but I believe that the national lottery is his best and will be his most enduring legacy.

I do not speak for the Government, of course, but for the people of Suffolk Coastal. It is for that reason that I am here. I should perhaps declare an interest: I was recently given lunch by Camelot, but I have no intention of talking about that side of the national lottery today. I believe that all Members were recently invited to surgeries by the lottery distributors. I was surprised to learn how little funding had been received by projects in Suffolk. Billions of pounds have been generated for good causes in the past 15 or 16 years, but Suffolk—especially Suffolk Coastal—seems not to have received much, particularly not Big Lottery funding. I asked the lottery distributors why they thought that was so, and they came clean, saying that the funding formula was biased towards certain aspects and indices and that Suffolk, being average, loses out. That is unfair.

One of the things that I have discovered as one of the Suffolk MPs is that the county's statistics seem always to be average, but we all know that there are great pockets of deprivation as well as wealth. The poorer areas definitely lose out when such indices are applied across such a large area. Many of the indices and formulae used for health funding, police funding, education funding and so on, including the basic support grant for our councils, have been consistently skewed away from rural areas, especially in rural England, in favour of other parts of the country.

Opposition Members have spoken of their concern about certain aspects of the lottery in Scotland and Wales. I have an idea for the Minister. He spoke of having arm's length bodies, but I think that it would be fair for the Government to give guidance to distributors, and perhaps there should be a rule to restrict lottery grants to the United Kingdom. My constituents would be surprised to hear that Big Lottery Fund money goes to overseas projects.

An encouraging aspect for people playing the national lottery is that they believe that they are helping their own communities, just as when they give money to Children in Need they are conscious that the money stays in the United Kingdom and does not go abroad. Many of my constituents would be surprised to hear that El Salvador has received funding in connection with setting up trade unions, that in Nicaragua there are projects on certain aspects of the millennium development goals, and that there are other projects elsewhere around the world. One of the reforms I suggest to the Minister is that that the funding generated by the national lottery should be used in the UK.

Fiona O'Donnell (East Lothian) (Lab): Does my hon. Friend not agree that that is wholly at odds with the spirit of the Government's intention to protect (1) the budget (2) of the Department of International Development. The Government should be utterly comfortable with that, as should her constituents, because poverty and deprivation in other parts of the world have an impact on this country.

Dr Coffey: I thank my hon. Friend for that intervention—we call each other "hon. Friend" because we are friends outside the Chamber, although as a political convention we do not always use that term. I understand what she says. Funnily enough, if the money given in grants by the Big Lottery Fund was part of the 0.7% of gross national income aid target to which we are committed, I could see some logic in it, but lottery funds are about additionality rather than substitution for Government funding, so I do not necessarily agree with her on that point.

I welcome the move in the allocations back to the original percentages of 40, 20, 20, 20 and away from the 50% split. Again, some of my constituents might be surprised that some of the big society funding—I mean

[Dr Thérèse Coffey]

Big Lottery funding; I apologise—is used to fund credit unions. That is a great idea. Many of us recognise the extent of the personal debt crisis in this country; rather than having people going into the arms of loan sharks, Members on both sides of the House are trying to encourage credit unions. However, I think my constituents will be more surprised to hear that some Big Lottery Fund money is going to trade unions—for trade union learning or for particular projects such as "The Union Makes Us Strong: TUC History Online". I do not think that that is appropriate use of the Big Lottery Fund.

I understand that the lottery is growing. I appreciate that we are going back to the principle of additionality and getting rid of redirection towards Government policy. With appropriate marketing, that might encourage more players to resume, as there has been a drop in the number of people playing. This is not necessarily an interest, but I used to play regularly through a syndicate at work. I was determined that the people who worked for me who could retire if they won that magic figure were not going not leave me behind, so I too contributed. I may even get a syndicate going in the House. It is not that we feel poor because of the Independent Parliamentary Standards Authority, but we would all like to enjoy the prosperity of a win on the lottery. Indeed, it could be any one of us. However—to continue this personal anecdote—when the funding formula started to change and when I thought that the Government were starting to redirect money, I decided not to play as regularly, because I thought that the money was not necessarily going to causes in my community. For me, that was an important motivation.

An interesting point was raised about efficiency in the distribution of funds. I hope that the Government can find a way of benchmarking the different funds and distributors. When it comes to the Big Lottery Fund, I would like the Government to consider having a wider range of distributors. I pay tribute to the Community Foundation Network, which I think was set up by the previous Government. Community foundations are either county based or much more local. I pay particular tribute to the Suffolk community foundation; it really has its finger on the pulse and is much better than the big regional offices that we see. We should do all we can to help them.

Alun Michael: I am grateful to the hon. Lady for giving way. In view of her earlier comments, I am glad to find some common cause with her. Funding through community foundations means that the communities that find it most difficult to apply are more likely to obtain assistance—the point that I was making earlier. When I was deputy Home Secretary, I set in train something that led to the rural policing grant, because rurality is indeed one of the elements that should be taken into account. It seems that the hon. Lady is not arguing against the basic philosophical starting point, which is that those areas that have the greatest need and which find it most difficult to apply for funding, including those in her constituency, should be assisted with doing so.

Dr Coffey: I welcome the right hon. Gentleman's intervention. I am not saying that the proportion of money spent on the national lottery in an area should automatically result in that much going back to that postcode area. I welcome what he says about the police grant—I did not know that, and I thank him for educating me—but I honestly believe that generally there has been a skew away from rural areas because of the way certain indices have been applied, so we are not likely agree on that point, but I am glad that we have found common cause on the community foundations being an efficient way of distributing funds.

I hope that when the Minister considers the input into the lottery, including trying to encourage more people to take part and ensuring that even more post offices can benefit—I believe that a third of post offices have a lottery terminal on their premises—he will also give careful consideration to getting the money out as efficiently as possible, as cheaply as possible and, dare I say it, as least politically correctly as possible.

4.19 pm

Mr Ben Bradshaw (Exeter) (Lab): I thank all right hon. and hon. Members for coming to the debate regardless of whether they have spoken. It has been good to see so many people here. Furthermore, I am grateful to the Government for giving us the opportunity to discuss these issues.

Let me start by saying that I agree entirely with the Minister's opening remarks about the invaluable contribution the national lottery has made to our national life. Indeed, that is something on which Members on both sides of the House can agree. However, I have a number of questions about the specifics of the review and about one or two things that the Minister and other Members have said during the debate.

When the Conservatives were in opposition, they said on a number of occasions that they would return the lottery to its original four good causes: arts, sports, heritage and charities. The fifth good cause, health, education and the environment, was introduced by Labour through the National Lottery Act 1998, and it enabled lottery distributors to fund a wider range of public projects and things that the public had said in numerous surveys that they valued.

In November 2009, the right hon. Member for South West Surrey (Mr Hunt), now the Secretary of State for Culture, Olympics, Media and Sport, said:

> "So one of the first things the Conservative Government will do will be to restore the Lottery to its original four good causes."

My first question is what has happened to that commitment? When I asked in a parliamentary question whether the Big Lottery would continue to be able to fund the fifth good cause, the Minister replied:

> "The Big Lottery Fund will continue to be a lottery distributor after April 2011, funding the same range of projects as it does, now but focusing on the voluntary and community sector."—[*Official Report*, 21 July 2010; Vol. 514, c. 333W.]

There is an element of confusion, and I would be grateful if the Minister could clarify the matter. Given that it was one of the first things that his party said that it would do after the election, when can we expect legislation to implement that commitment? Or is it yet another commitment that has been dropped since the Conservatives arrived in government?

The Minister has begun to implement the commitment that the Government made before the election to increase the proportion of lottery revenue going into the arts, sports and heritage. However, as a number of my hon.

Friends have pointed out, increasing the lottery funding going to the arts, sports and heritage will not make up for the savage and unnecessarily severe cuts that the Government appear to be intent on making to the arts, culture and sport. I am disappointed that Ministers from the Department for Culture, Media and Sport are not resisting Treasury demands in the negotiations on the comprehensive spending review. As the Minister has followed the debate very carefully, he will know that there are good economic and broad cultural arguments for protecting spending on the arts and culture. Indeed, I suspect that those arguments were why the Liberal Democrats had a manifesto commitment to do exactly that. I always made it clear that I would fight hard in any negotiations with the Treasury.

Overall spending on the arts and culture represents less than the underspend in the national health service every year. The hon. Member for St Austell and Newquay (Stephen Gilbert) said that the Liberal Democrats had a Damascene conversion because they did not realise how serious the economic situation was, but the argument that the hon. Member for Bath (Mr Foster) repeatedly made before the election was that cutting spending on the arts and culture would have such an infinitesimal impact on reducing the deficit and would inflict such damage that it was not worth doing. I would like some reassurances that when the Treasury asks the Minister and his colleagues to jump, they are not simply saying, "Yes, very nice, but how high?"

Does the Minister accept that by shifting the priorities in lottery spending, the Government are effectively cutting funding to community and voluntary groups? When the Conservatives formulated their policy in opposition, they worked on the basis that the Big Lottery Fund, which at the moment receives 60% of lottery good cause money, spent 80% of its revenue on community and voluntary groups and 20% on the non-CVS sector. In fact, as the Minister acknowledged in his opening remarks, 92% of Big Lottery's spending went to the voluntary sector last year. That means that if Big Lottery's share of funding is reduced from 50% to 40%, even if it is restricted exclusively to funds within the community and voluntary sector, the share of lottery funding to voluntary groups will be cut. Will the Minister explain how his leader's big society will be helped by cutting funds to voluntary groups?

Let me turn now to the administrative costs of the lottery. In its structural reform plan, the Government state that by the end of this year they intend to

"reduce lottery distributors' administration costs and ban lobbying activities."

In opposition, the Conservatives were more precise:

"So we insist that admin costs should be no more than 5% of grants distributed... Self-publicity by the distributors will also be banned. As will lottery money being spent on lobbying and public affairs."

Are the Government still insisting that administration costs should be cut to 5%? If so, perhaps the Minister can explain on what basis that figure has been chosen. As my hon. Friend the Member for Kilmarnock and Loudoun (Cathy Jamieson) rightly said, Big funds many community projects. The Minister will be aware that it is much more expensive to administer the costs of funding such projects. The National Council for Voluntary Organisations has also expressed concern. It estimates that Big's current administration is 7.5% of its costs. It says:

"Because BIG funds many community projects and because of its approach to supporting those it funds, in practice these costs are relatively low. Moreover, this approach helps BIG to maximise the effectiveness of its grants, thereby achieving better value for money in the longer term. There are further concerns that pressure on administration costs may make the funding of smaller, community projects more difficult."

Will the Minister reassure me that that will not be the result of his policy? Moreover, will he be happy to meet voluntary organisations, perhaps under the umbrella of the national council, to ensure that his drive to reduce administration costs does not make it more difficult for small community and voluntary groups to win lottery funding?

The Government's structural reform plan states that the Big Lottery Fund will be restricted to funding the community and voluntary sector. Will the Minister confirm that the intention is to restrict it exclusively to funding the CVS sector? If so, what does that mean for schemes such as Heroes Return, which provides grants to world war two veterans to enable them to return to the battlefields where they served their country? More than 40,000 veterans and their families have benefited from that scheme. Will the Minister assure the Chamber that such an initiative can continue to be funded by the Big Lottery Fund?

Moreover, will the Minister tell us when we are likely to see the national lottery independence Bill, which we were told was needed so that the lottery

"cannot be raided by politicians for their own pet projects."

Given that commitment, which was made before the election, will the Minister explain why the DCMS structural reform plan states that Ministers will

"direct the Sport Lottery Distributor to take responsibility for the community sports legacy following London 2012."?

Again, I detect a slight conflict. The Government appear to be pointing in two directions at once. The Minister said that he would push forward with the proposals that were made before the election to introduce a gross profits tax. Will he outline the time scale for that?

We all agree, I think, on the diversion of money for the Olympics. The maximum contribution to the 2012 Olympics from the lottery was capped at £2.2 billion, with no more than half diverted from non-Olympic distributors. Will the Minister confirm that the Government will not raise that cap? Furthermore, can he guarantee that the Government will honour the commitment that we gave to return all the money that was diverted from good causes in full, using the proceeds of land sale after the Olympics? If he cannot do that, will he write to me after the debate?

Finally, let me ask the same question that I ask in all such debates. It would interest all Members in the Chamber if the Minister could point to a single Liberal Democrat policy on the lottery that is being implemented by the Government. Or is this yet another example of the Liberal Democrats having absolutely no influence whatever on the coalition Government?

Mr Joe Benton (in the Chair): I call the Minister to wind up.

4.29 pm

John Penrose: I am delighted to respond to the various points that have been made by Members from all parties during this debate. There is a very pleasing unanimity about the importance of the national lottery, which is

[John Penrose]

not exactly unexpected but none the less welcome. I think that there is also a general acceptance that the national lottery has become a tremendously important part of our national life. While there may be some important questions to be asked and some important quibbles here and there, there is a vast fund of good will and cross-party consensus on the importance of the national lottery carrying on and continuing to do good work.

I will try to collect the various points that hon. Members have made into a series of themes. If I miss anybody out, I apologise and perhaps they can sort of grab me after the debate. However, I will try to ensure that I have picked up every point that was made.

A number of Members asked whether the commitment to focus the Big Lottery Fund even more closely on operating through the voluntary and community sector rather than statutory bodies would have an unintended negative effect. Looking around Westminster Hall, I think that that point was made by the hon. Members for Kilmarnock and Loudoun (Cathy Jamieson), my hon. Friend the Member for St Austell and Newquay (Stephen Gilbert), the right hon. Member for Cardiff South and Penarth (Alun Michael), my hon. Friend the Member for Bedford (Richard Fuller) and the right hon. Member for Exeter (Mr Bradshaw), the shadow Secretary of State for Culture, Media and Sport; I am not sure whether my hon. Friend the Member for Suffolk Coastal (Dr Coffey) made it too.

In response to all those Members, I will say that the reasoning behind that commitment is purely an attempt to prevent any questions being raised about a breach of the principle of additionality. It is an attempt to ensure that there can be no question that money goes to statutory bodies as a way of getting round the principle of additionality. I think that it was the right hon. Member for Cardiff South and Penarth who said that it was terribly easy for that appearance to be created, which is something that we must watch out for at all times.

Therefore, I think that we are all agreed on the importance of the principle of additionality. I also think that it is right to say, as the shadow Secretary of State said, that the Big Lottery Fund has been tending towards that direction anyway. It used to be the case that 80% of its donations went to the voluntary and community sector, but that share has recently gone up to 92%, and we are encouraging the fund to make the percentage go even higher.

However, in response to a point that was raised by a number of people, I must say that we have no intention of phrasing the revised policy direction that we are aiming to come up with so narrowly that we end up with the unintended consequence that, if a voluntary and community sector organisation is partnering the local library or whatever local organisation it may be, it would be discounted. That consequence would clearly be counter-productive and unintended, and it is not what we want to achieve. There needs to be enough flexibility for a balance to be struck.

Cathy Jamieson: For the record, and for the benefit of those of us who have represented Scottish interests in Westminster Hall today, will the Minister tell us whether the policy direction that he will announce for the Big Lottery Fund will be for England? What discussions has he already had with the Scottish Government in relation to this issue?

John Penrose: I thank the hon. Lady for drawing everybody's attention to that issue. She is absolutely right to point out that any such policy direction would be purely for England; it would then be up to the devolved Administrations to decide whether they wished to follow or not. Alternatively, if they wanted to change or flex the policy direction, it would be entirely up to them to decide how they wanted to react. I hope that that answers the hon. Lady's question. It is important that we strike the right balance and are flexible on that issue, because an overly rigid approach could create some unintended consequences.

I also want to pick up briefly on one or two of the points made by my hon. Friend the Member for St Austell and Newquay, who is standing in today very nobly for my hon. Friend the Member for Bath (Mr Foster). He asked how we were getting on with the gross profit tax; incidentally, that is an answer to the shadow Secretary of State's question about whether there was a policy that the Liberal Democrats as well as the Conservatives had backed. The answer to my hon. Friend's question about the gross profit tax is that discussions with the Treasury are already under way. I am afraid that the timetable is still slightly elastic, because the Treasury is in charge of it, since it is a tax rather than something that is directly the responsibility of the Department for Culture, Media and Sport. However, as I say, discussions are happening, officials are already involved and I have spoken to the relevant Minister at the Treasury about it already.

Mr Bradshaw: I asked the Minister whether any discrete Liberal Democrat policies that were not shared by the Conservatives before the election were now Government policy.

John Penrose: I am afraid that I shall have to rely on my hon. Friend the Member for St Austell and Newquay, who is speaking for the Liberal Democrats today, to answer that question, as I am not quite such an expert on their election manifesto as I am sure he is. I am certain that he will be willing to be buttonholed by the right hon. Gentleman after the debate and will put him right, as necessary.

My hon. Friend the Member for St Austell and Newquay asked about the speed at which the spending cuts would be made. He and a number of other Members also asked whether we would try to be flexible in making those cuts. In fact, the right hon. Member for Exeter was also very concerned—to put it charitably—about the extent of cuts. We have four years in which to achieve those cuts and therefore we will carefully phase any reductions that have to be made. None of us here like the notion that there have to be cuts at all; sadly, they are a necessary thing rather than something that anyone is looking forward to implementing. But we will try to ensure that we phase them over that four-year period in the most intelligent way possible, to minimise the effect on the front line and to ensure that adjustments that have to be made can be made during that period.

In response to the comments made by the right hon. Member for Exeter about the need for these cuts, I share the view of my hon. Friend the Member for St Austell and Newquay. I am afraid that it is true that these cuts are not something that anybody wants to implement; none the less, they are the result of the previous Government's actions. The reason why they have to be made is not that anybody wants to make them but simply because of what is happening to countries such as Greece. If we look at those countries, we can see that if a country's public sector finances are not in balance, the international capital markets and the rest of the world will form their own view about its creditworthiness. We are borrowing a vast amount from international creditors at the moment so we need to ensure that we are a credible borrower in their eyes; otherwise, we will not be able to carry on doing anything that we want to do. I am afraid that that credibility has been gravely put in peril, and that is why we have to bring the national accounts back into balance as fast as is reasonably possible. However, I take the point made by my hon. Friend the Member for St Austell and Newquay that we need to do that with sensitivity and care and attempt to minimise the impact on the front line as far as possible.

The right hon. Member for Cardiff South and Penarth made some points about the needs-based approach, which were picked up by a number of other Members. I think that he was suggesting that he would prefer to see the Big Lottery Fund contribution maintained at 50% rather than at 40%, although as a result of our creating a smaller slice of a bigger pie the total cash amount will go up; I hope that I also answered his question about the impact on both Scotland and Wales. I think that his argument was that he would prefer that contribution to remain as a higher percentage as well as that higher total cash amount, because he felt that that would maximise the amount of money being given on a needs-based approach.

To reassure the right hon. Gentleman—

Cathy Jamieson *rose—*

John Penrose: I just want to finish this point and then I will be happy to give way again.

I am not sure that the right hon. Gentleman and I will necessarily agree on that basic point of principle about the percentage that should go to the Big Lottery Fund, but I just wanted to reassure him that the situation was perhaps not quite as bad as he feared. Partly, that is because, as I said, the total amount of cash being distributed by the Big Lottery Fund should rise in both Scotland and Wales, along the lines that I was talking about earlier. In addition, a large proportion of money is distributed by other lottery distributors, which also goes to the voluntary and community sector. For example, 48% of the money from the Heritage Lottery Fund has gone to voluntary and community sector organisations and indeed 81% of the projects that the Heritage Lottery Fund supports have been led by the voluntary and community sector. So I hope that that helps him a little, even if it does not satisfy him fully.

Alun Michael: I am grateful to the Minister for addressing my point. I was not necessarily arguing that there should be no change in the percentage. I was saying that there is more than one way to achieve a needs-based approach to allocation. One possible way is to look at the other funds, because of course the sort of communities that I am seeking to protect are very interested in issues such as sport, art and heritage. I had hoped that the Minister would reassure me—I think that he is part way to doing so—that that needs-based approach would perhaps be applied more widely and not just in the crude overall percentages.

John Penrose: I am not sure that I can reassure the right hon. Gentleman fully on that point. However, I hope that the figures that I have just quoted about other lottery distributors that give money to voluntary and community sector organisations in a way that is perhaps not terribly well publicised show that money is already going to sporting organisations—he gave the example of sport—in needy constituencies such as his.

Cathy Jamieson: For my information, are the figures that the Minister has just given based on an assumption that lottery ticket sales will rise and, if so, by how much?

John Penrose: The figures are based on existing public figures for projected lottery ticket sales over the next couple of years. They are available on the website, so the hon. Lady can check them when she likes.

My hon. Friend the Member for Bedford asked about the effect of the national lottery on problem gambling. A large body of work has been done on problem gambling, as I am sure he is aware. I reassure him that if he speaks to the Gambling Commission, or indeed the National Lottery Commission, they will tell him what most of those who have made representations to me say: the national lottery is one of the least problematic kinds of gambling in this country. Large numbers of people play it, but the penetration of problem gambling among them is comparatively low. There are many other types of gaming that are of more concern than the national lottery. He also asked me to confirm whether non-charities would still qualify for Big funding. They do now, and they will continue to do so. I am happy to reassure him about that.

Several hon. Members discussed the cost of making applications to Big, particularly for small organisations. My hon. Friend the Member for St Austell and Newquay asked specifically whether it would not be good for hand-holding to fall outside the definition of administrative costs involved in Big's distribution. I have two responses to that. First, as I mentioned in my opening remarks, it is important to realise that there may be good reasons why the 5% target that the Secretary of State asked me about might be slightly less applicable to Big. I want to ensure that we have common measurement criteria before we start applying anything in a mechanistic way. We will have to wait and see what happens, but there might be a legitimate reason for an in-built additional cost when dealing with small organisations. I want to benchmark that cost against the cost of doing a similar job in other countries in order to check it.

Secondly, it must surely be better for us to reduce the costs of hand-holding in the first place—to reduce the necessity for it by reducing the complexity of the application process, particularly for small voluntary and community sector organisations—than to fund those additional costs. That is where I would start. As hon.

[John Penrose]

Members commented in responses to interventions by the hon. Members for Kilmarnock and Loudoun and the hon. Member for North Ayrshire and Arran (Katy Clark), it is far more important to understand that costs are incurred not only by distributors; complexity also creates knock-on costs for applicants. It is vital that we reduce the total system costs to all parties. That is probably the biggest and most immediate single thing that we can do.

I hope that I have responded to everybody. As a final remark, the shadow Secretary of State asked about what he called the fifth good cause. I now understand the reasoning behind the written parliamentary question that he asked the other day, which he quoted. We have no plans to legislate to remove the fifth good cause from Big's charter. We want purely to ensure that any projects in such areas benefit the voluntary and community sector rather than breaching additionality and funding statutory bodies, as we discussed. I hope that that answers his question.

I hope that I have dealt with the issues. We have had a wide-ranging discussion, but the most reassuring and important thing to me is that there is huge respect for and cross-party unanimity on the importance of the national lottery. I am sure that everybody here wishes it well.

Question put and agreed to.

4.43 pm

Sitting adjourned.

Westminster Hall

Tuesday 27 July 2010

[HYWEL WILLIAMS *in the Chair*]

A11 (Dualling)

Motion made, and Question proposed, That the sitting be now adjourned.—*(Miss Chloe Smith.)*

9.30 am

Matthew Hancock (West Suffolk) (Con): It is a great pleasure to speak under your chairmanship for the first time, in my first speech in a Westminster Hall debate, Mr Williams. I am delighted to have been granted this debate on the economic impact of dualling the A11, and am grateful to the Minister for giving his time. I am also grateful for the cross-party attendance by the many colleagues from all over Norfolk and Suffolk who have come to the debate.

It is poignant that this is the last day of the parliamentary term, for today Members will return to their constituencies—many of them along the A11. Those hon. Members will follow a now familiar path: steady progress past the M25 and an unencumbered glide past Stansted, before turning right-handed, and making steady progress up to Mildenhall. Then they, like 25,000 others every day, will come to a shuddering halt at Barton Mills. As they grind past the service station, and take their life in their hands getting on to the Fiveways roundabout, they fear they will never go faster than 30 mph again. Is that because it is a built-up area? No. Is it because of the number of pedestrians? Hardly. It is because they have reached the Barton Mills bottleneck. Why does that feature endure? Do the people of Norfolk not need a decent road to the capital? The journey from London to Norwich is 115 miles long. Yet for an inexplicable reason, nine miles in the middle of it have been left as a single carriageway.

The Minister will today hear many accounts of the extremely high economic returns that would result from finishing that bit of road. He may wonder how a road-widening project can have such high economic returns, but I urge him to think of it not as a road-widening project between Barton Mills and Thetford—although it is that—but more as the long-overdue completion of the road to Norfolk. The first layout of the motorway network, drafted in 1936, included a motorway from London to Norfolk. Proposals for completion of the dualling of the final nine miles of the A11, known as the Barton Mills bottleneck, were first put forward in 1989. After an assiduous campaign by my predecessor, Richard Spring, and my neighbour, my hon. Friend the Member for Bury St Edmunds (Mr Ruffley)—I pay tribute to them both—it became a Government priority in 1999. Public meetings on the plans were held two years ago this week. My constituents, and people all over East Anglia, hope that the new Government will finally give the scheme the go-ahead when the spending review is completed.

Today's debate focuses on the economic impacts of the road, so I will not dwell on the fact that the reasons for improving that stretch of the A11 are not solely financial. Local people are very focused on the tragic human cost of delaying the scheme. There are serious safety concerns, which were brought into sharp focus by a Road Safety Foundation report in June, which found that single-lane roads were twice as dangerous as dual carriageways. To the real economic cost we must add a cost measured not in pounds, but in lives. Having set out the context, I want to explain, first, the overwhelming local support for the scheme, and, secondly, its clear economic justification. Finally, I shall address head-on the central fact facing the Government: the vast, unprecedented budget deficit that the coalition is addressing.

First, unlike some transport projects, the scheme commands wide support. The number of fellow MPs here today from all over East Anglia is testament to that fact. Indeed, I am yet to come across an objector. Indicative of that was a petition of some 16,000 local residents presented to the Department for Transport in November 2008 by Daniel Cox, leader of Norfolk county council. Environmental concerns that were raised have been addressed. The project is supported by both Natural England and the Royal Society for the Protection of Birds, which says that

"the road will not harm wildlife in the Brecks"

and that it is

"confident that this is the right deal for nature".

Local businesses are also behind the scheme. The local branch of the Federation of Small Businesses backs the plans, arguing that an efficient road system is "essential". Giles de Lotbinière, the managing director of local business Lignacite, says A11 delays are a "hindrance to businesses". Indeed, international businessman and local landowner Lord Iveagh reflected the general tone adopted by the businesses that I have spoken to when he said:

"the more we can do for the road the better".

The project of relieving the Barton Mills bottleneck is supported not just by local people, safety campaigners, environmental groups and businesses, but by all three political parties. During the election campaign, Lord Adonis, on a last gasp visit to his friend Charles Clarke in Norwich South, said:

"Labour is committed to completing the dualling of the A11 with construction beginning this year."

On 23 April, the Prime Minister and Deputy Prime Minister spoke out in support of the widening. My right hon. Friend the Deputy Prime Minister said that the project was "totally justified", while my right hon. Friend the Prime Minister said that

"everyone knows it needs to be done".

So from top to bottom, support is widespread.

What of the economic case? Having done the research, reviewed the evidence, and spoken to the officials at the Department, for whose time I am grateful, I can say that the economic case for finishing the road is compelling. The cost estimate for the scheme is £134 million. Consultants for the Highways Agency estimate that, for that cost, the project will generate £19 million in indirect taxes, and economic benefits of £550 million for consumers and £1.1 billion for businesses; so on the Government's own figures, the benefits are more than 20 times the cost. That is an astonishing figure, which I shall put into context. A return of more than twice the cost is regarded by the Department for Transport as

"providing high value for money".

[Matthew Hancock]

Hon. Members will not be surprised to find that the Highways Agency reports that

"benefits exceed expenditure costs substantially, demonstrating the economic viability of the scheme".

The report found that there would be productivity benefits in Norfolk, Suffolk and Cambridgeshire, and that they would be concentrated on Thetford, Norwich and Great Yarmouth. It is good to see that MPs representing all those towns are present for the debate. The financial case for completing the road is clearly strong, but the impact would be felt far beyond the balance sheets of the businesses of East Anglia. Completing the road would boost confidence among businesses across Norfolk, generate interest from investors and help to create conditions for new employment. Until 18 months ago, businesses around Thetford routed their lorries away from the bottleneck on a Friday because it was impossible to negotiate. Now they are forced to reroute them every working day. That is the real business cost.

The Highways Agency report that I mentioned discusses the risks of not proceeding with the work and states that

"future growth aspirations could be jeopardised by the failure to improve the trunk road. Traffic delays would become sufficiently severe that new development would fail to materialise".

I said that the benefits are 20 times the cost; let me put that figure further into context by comparing it with the figures for other schemes on the Department's list. The A13/A130 link at Sadlers Farm has an economic benefit four times the cost; for the A13 passenger transport corridor, the ratio is 2; for the A421 improvements at Milton Keynes, the figure is 1.9; and for the Luton busway it is 1.6. I am told that some schemes in north-east England have an economic return of less than one; I should be grateful if the Minister would confirm whether that is true.

The reason for that astonishingly high rate of return is clear. We are not talking about a new road project, or even the improvement of a whole road, but the final piece of an otherwise complete jigsaw. The question is why the work has not already been done. I shall not try to answer that question today, although the hon. Member for Glasgow North East (Mr Bain) might try to do so. In truth, I find many of the actions of the previous Administration unfathomable, and that is but one of them. Instead, I shall address head-on the hard question that we all face.

There is no ducking the fact that our nation's finances are in a mess. We have the biggest peacetime deficit on record, and we are borrowing £1 for every £4 that the Government spend. The central task for the new Government in turning our economy around is to deal with the deficit. I campaigned on that platform, and I support it wholeheartedly. We all know that money is tight. The question is how we should deal with the mess.

The economic evidence shows that fiscal retrenchments are most successful when they are done mostly by reducing current spending. I was therefore delighted when the Chancellor forsook the easy option of further cutting capital spending in the Budget. He said:

"Well-judged capital spending by Government can help provide the new infrastructure our economy needs to compete in the modern world. It supports the transport links we need to trade our goods...There will be no further reductions in capital spending totals in this Budget, but we will make careful choices about how that capital is spent. The absolute priority will be projects with a significant economic return to the country."—[*Official Report*, 22 June 2010; Vol. 512, c. 170.]

That policy is right, and the proposed scheme would help make it a reality. I believe that the A11 improvement scheme clearly fits into the class of capital spending that the Chancellor is keen to continue.

Last week, the Secretary of State for Transport told the *Eastern Daily Press* that the scheme had achieved "a very high score" under the Whitehall cost-benefit analysis, and spoke of the "very powerful" economic benefits of removing such bottlenecks. Will the Minister repeat those words today? Will he confirm that the evidence shows a compelling case for the road to be completed? Does he accept that there is virtually no local opposition? Will he now tell us that, even in these difficult economic times, removing the Barton Mills bottleneck is at the top of his list of priorities?

Lastly, will he accept my invitation to join me, one day soon, in opening the final section of this long overdue road, completing the dream of a highway to Norwich? If he does so, the warm and generous people of East Anglia will give him the hero's welcome that he deserved. *[Applause.]*

9.42 am

Elizabeth Truss (South West Norfolk) (Con): I am delighted that my hon. Friend the Member for West Suffolk (Matthew Hancock) has secured today's debate. This issue more than any other is a priority for the people of South West Norfolk; for too long, they have struggled with a difficult situation, given that the road is one of the main thoroughfares into my constituency. The matter should be given serious consideration by Ministers in advance of this autumn's comprehensive spending review. The scheme is long overdue, and it is particularly pressing given the need to generate growth in our economy and to ensure that Britain races ahead.

I wish to talk about three things: first, Norfolk's infrastructure deficit; secondly, specific effects of the problem on the town of Thetford; and, thirdly, the wider benefits that the scheme would deliver to our economy.

Although the United Kingdom is the world's sixth richest country, it is 34th in the world infrastructure league table. However, Norfolk would rate far behind that. It is the largest county in England not to have a dual carriageway linking to the national trunk road network. We are the only county not to have been included in BT's plans for super-fast broadband. We do not have the train speeds or railway connections that a county with the economic potential of Norfolk truly deserves.

Of the missed opportunities to improve infrastructure over the past 13 years, the grossest error was the failure to dual the final stretch of the A11, which I put down to mis-prioritisation by the now defunct regional authorities. They decided that the A11 had a lower priority than other schemes that had a far lower economic benefit.

The scheme is readily supported by local businesses. For instance, Jo Pearson of Pearsons (Thetford) Ltd said:

"Thetford, Norwich and the whole of Norfolk, for too long now has been the poor relation; the difference this upgrade will make in economic prosperity and jobs is immeasurable. We have

heard all the talk time and again; this project must be not at the top of the 'to do' list but a distant memory in the completed pile!!"

People in Thetford and elsewhere in Norfolk are fed up with being told that the project will happen only to find that the digging has not started. I and my colleagues want to see a definite plan for action.

My hon. Friend the Member for West Suffolk mentioned the wide support give to the scheme by the local community. I would also mention the Gateway A11 East action group, which is represented here in the Public Gallery and has come to London to show how important the scheme is to them. The *Eastern Daily Press*, too, is here and listening to today's debate; the paper has featured the problem heavily in its columns over the years. The scheme has extremely widespread support.

The problem, as has been pointed out, is that we are now in much more difficult economic times. However, Norfolk is not asking for handouts. We did not receive the national insurance tax holiday for new businesses; and we did not receive the millions of public sector jobs that other parts of the country did. Indeed, 72% of the Norfolk economy is in the private sector. To continue growing and making a net contribution to the tax pot—that is what we do in Norfolk—those businesses need their employees to be able to get into work and their supplies to be delivered to their customers. That is all that we ask.

The Norfolk infrastructure crunch is particularly acute in Thetford. Thetford was the ancient capital of East Anglia. It has an amazing number of energetic businesses—*[Interruption.]* I think I heard an objection; I am happy to take an intervention.

Thetford is a natural hub. We should bear in mind that it is well connected—at least, it would be if the A11 was sorted—to Cambridge, another growing economic area. There is a bottleneck where there should be potential economic expansion. However, although the town may be struggling with the lack of decent road connections, there are plans to build 6,000 more houses over the next few years and many more jobs and businesses will be located there. As a result, what is now difficult may become impossible. There are also plans for a new academy. We have the potential to be a major area of economic growth.

I fear that the people of Thetford are in danger of being all dressed up with nowhere to go. Despite the fact that the town is surrounded by some rather nice bits of dual carriageway, further out it peters out into a single-lane highway, which makes it difficult to transit further. Boudicca was thought to have based her operations in Thetford in ancient times. If she was to try leading her insurgency against the Roman army today, she would not get as far as Cambridge, given the state of the roads.

The road is important not only to the people of Thetford and South West Norfolk; it is economically vital to the nation. As my hon. Friend the Member for West Suffolk pointed out, the Department for Transport says that schemes with a benefit-cost ratio of more than 2 should be considered highly favourable. The guidance also says that in most, if not all, cases, such schemes should go ahead. The fact that the scheme would return £19 for every £1 invested suggests that it would be of huge economic benefit.

The figures suggest that a total investment cost of £100 million would yield tax revenue of £42 million and journey-time benefits of £1.2 billion, and that is before we take into account the extra businesses that might locate in the area when the A11 is dualled. Many companies are currently put off by the poor transport connections, and they are put off not just in Thetford, but in Norwich and all along the A11 corridor. The current Norfolk economy is valued at £16 billion. Between 2001 and 2007, growth in the Norfolk economy outstripped the rest of England by 10%. We could achieve even higher relative growth in our county because the entrepreneurs and the business acumen are there, but we need the infrastructure to support them.

Let us consider why the benefit of such a road scheme is so large. The answer is that this piece of road is effectively a ransom strip. It is the final part that has not been dualled. Recent research from the OECD suggests that connecting up networks so that they work is most important and achieves the most value for money in infrastructure investment. It is not about having individual high-value projects; it is about ensuring that we have a network that works, and that is the missing link in the chain. Those who might question the projected high returns—there are not many of them here today—should look at the projections for the A11 Attleborough bypass, which has just been completed. One year after the project, the Department for Transport commissioned a study to consider the return and how it had compared with the projections. The return on that project was a 5.2 benefit-cost ratio, which was only 0.2 adrift from the projections. I commend the Department for Transport for the accuracy of its economic analysis. Given that such a projection is being made on a similar road, I suggest that the high benefit that we would expect from the A11 Fiveways-to-Thetford scheme will be realised.

Like my hon. Friend the Member for West Suffolk, I have viewed the other projects in the pipeline. As far as I can tell, the A11 project came out with by far the highest benefit-cost ratio. Most other projects were in the low units and very few projects hurdled into the tens. At a meeting between the nine Norfolk MPs and the Chief Secretary to the Treasury, it was agreed that economic return would be the key criterion, and that it would apply not only within Departments but across Departments. I urge the Minister to ensure that these high-value projects are considered not only within the Department for Transport's budget but in comparison with all capital budgets across Departments. We do not want to see a high-value project stopped just because it falls under the Department for Transport, and Government capital used on a lesser-value project in another Department. In our meeting with the Chief Secretary, we established the important principle that projects with the highest economic returns should go ahead regardless of which Department they are part of.

The Parliamentary Under-Secretary of State for Transport (Mike Penning): The passion with which my hon. Friend makes her case is commendable. The only budget for roads within Government is in the Department for Transport. It is our budget and we are responsible for it. I will not shirk that responsibility; the buck stops here.

Elizabeth Truss: I thank the Minister for his answer. I take from it that the project would be ring-fenced by the Department rather than considered across Departments.

[Elizabeth Truss]

The Minister might consider the road budget, but would other budgets be freed up if capital was not being properly utilised in other Departments?

Mike Penning: Of course, other aspects and other money from different parts of other Departments form the package, but the package for roads specifically falls under the Department for Transport. When we consider projects around the country as funding is freed up, we will examine that package, but the actual budget for roads specifically comes from the Department for Transport.

Elizabeth Truss: I shall continue to press my case. Infrastructure in this country has lost out in current spending, and we have all paid the price for that in economic growth held back. I will certainly put the case that infrastructure projects, as part of the capital budget, should be prioritised if they deliver such economic benefit. Clearly, the best option would be for the scheme to be approved under the road budget, and we look to the Minister to consider that as part of the comprehensive spending review.

As my hon. Friend the Member for West Suffolk said, the A11 dualling from Thetford to Fiveways is not just another road project. It is a very important project that will free up a huge amount of business resource, energy and entrepreneurship across East Anglia and help drive growth across the region. We are not asking for handouts in Norfolk. We are a county that delivers jobs, 72% of which are in the private sector, and we are a net contributor to the overall tax pot. What we want is our fair share of infrastructure spending to ensure that we can carry on delivering those economic benefits into the future.

Hywel Williams (in the Chair): Order. As a number of new Members are in the Chamber, may I remind them of three points? First, they need not touch the microphones; they will come on automatically. Secondly, no reference should be made to members of the public or members of the press being present. Thirdly, irrespective of the obvious infectious enthusiasm for the A11, there should be no applause.

9.57 am

Brandon Lewis (Great Yarmouth) (Con): I apologise that I have to leave shortly before the end of this debate to attend a Select Committee meeting. I wanted to speak briefly today to show how important the A11 is beyond the corridor of constituencies that it directly runs through. I represent Great Yarmouth and, as was mentioned by my hon. Friend the Member for West Suffolk (Matthew Hancock), whom I commend for securing this debate, the A11 dualling is hugely important to us. Great Yarmouth has the opportunity to unlock economic growth that could transmute Norfolk, Suffolk and potentially Cambridge with renewable energy and offshore wind farms. They could benefit, too, from our new deep-water outer harbour.

When I talk to businesses, whether they are in the chambers of commerce, the Federation of Small Businesses or any other commercial interest, the common comment is about infrastructure. We need high-speed broadband, but, more importantly, we need access by rail and road. The important part of that jigsaw is the dualling of the A11. It would release the opportunity for business to come through.

We do not have a motorway in Norfolk. As my predecessors often joked—unfortunately, it is true—the nearest motorway to Great Yarmouth is in Holland. We need the A11 dualled because it releases massive potential for Norfolk, Suffolk and Cambridgeshire. I wanted to be here today to show that there is an understanding across our county that that road is a vital artery that unlocks so much economic potential. I wanted to ensure that the Minister and the Department know that we all share the belief that this is a massively important piece of investment.

Again, I fully commend my hon. Friend the Member for West Suffolk for securing the debate. From Great Yarmouth's point of view, we should like to see the scheme go ahead. It is an important part of the jigsaw. In years to come, I and my other hon. Friends, including my hon. Friend the Member for Broadland (Mr Simpson), will no doubt argue that the scheme needs to link up with the dualling of the A47 and other roads, but, for now, the A11 is the key to the jigsaw.

9.59 am

Peter Aldous (Waveney) (Con): I am grateful to you, Mr Williams, for giving me the opportunity to speak in this debate. I thank my hon. Friend the Member for West Suffolk (Matthew Hancock) for securing a debate on a matter that is of such importance to the future prosperity of Norfolk and Suffolk. He has already spoken eloquently and passionately and I want to say a few words in support of the case that he has put forward. I speak not only as a fellow Suffolk MP but as someone who has lived in the county his whole life and who, until 12 weeks ago, spent his whole working life of 27 years in Suffolk and Norfolk.

When I started work as a trainee surveyor in Norwich in 1983, only two parts of the A11 from Cambridge to Norwich were dualled. They were the Cringleford bypass on the southern outskirts of Norwich, which at that time was the only dual carriageway in Norfolk, and the section of the A11 around Newmarket where it combined with the A14.

In the past 27 years, the A11 has gradually been improved and today the only section that remains to be dualled is that between the Fiveways roundabout, which is at Barton Mills, and Elvedon, which is in my hon. Friend's constituency. It is vital that that dualling work is carried out as soon as possible. That section of the A11 is a dangerous stretch of road. In rush hour, there are long tailbacks and it is a bottleneck that is holding back the creation of jobs. Those jobs may be in the logistics sector in the Thetford area, in the research and development sector around Norwich, or in the green energy sector in my own constituency, which is further east in the Lowestoft area.

In East Anglia, we have particularly poor infrastructure. We only have motorways along the western edge of the region; we have a rail network that is creaking at the seams; we have poor broadband connections, and we have an electricity network that is in need of a major upgrade if we are to realise the full potential offered by the offshore renewable sector.

Nevertheless, our economy is performing remarkably well. My hon. Friend recently hosted a reception at which various East Anglian businesses launched their "blueprint for growth". That highlighted the fact that

the eastern counties are an economic powerhouse. Indeed, the eastern counties are one of only three parts of the UK that make a net contribution to the UK Exchequer.

That success is in spite of our poor infrastructure. If proper investment is made, we can be at the forefront of the country's drive out of the recession. We can play a crucial role in helping the coalition to secure its goal of rebalancing the economy across the regions and across a wide range of new industries. Dualling this stretch of road across the Brecks will help to achieve that goal and it will also help East Anglia to become a more attractive location that new companies can move to and where existing businesses can grow. As I have said, that growth will be in such sectors as scientific research and development around Norwich and renewable energy in Lowestoft and Yarmouth.

I wholeheartedly support my hon. Friend in his efforts to secure funding for the dualling scheme. However, there is a wider issue to address. It is important that Britain moves away from the piecemeal approach to the provision of infrastructure. We have pursued that approach for far too long and it is putting the brake on economic activity and holding back the creation of jobs.

I recognise that we are in challenging times, with money in short supply. However, if we are to secure long-term economic growth in Britain, including in East Anglia, local businesses and local government need to work together to set out a blueprint of the infrastructure that they need and we then need to consider new ways to secure the investment for that infrastructure. By adopting such an approach, East Anglia can realise its full economic potential and play its full part in delivering the more balanced and diverse economy that Britain needs.

10.3 am

Mr Keith Simpson (Broadland) (Con): Mr Williams, it is a pleasure to serve under your chairmanship.

I warmly congratulate my hon. Friend the Member for West Suffolk (Matthew Hancock) and my other hon. Friends who are here in Westminster Hall today. We "old lags" from pre-2010—the "Alten Kämpfer", as our German cousins would call us—stand in awe of their enthusiasm and the fact that they really want to hunt as a pack on behalf of East Anglia.

Norfolk has two main trunk roads, the A11 and the A47, neither of which is completely dualled. I have fought long and hard for the A47 to be dualled because, as my hon. Friend the Member for Great Yarmouth (Brandon Lewis) has said, it goes through part of my constituency. In terms of priorities, however, I think that everybody in Norfolk—whether they are business people, local councillors or Members of Parliament—has recognised that the No. 1 priority is the completion of the dualling of this nine-mile stretch of the A11. That is the message that I would give to our hon. Friend the Minister—that this dualling work is the key to unlocking a lot of the economic development that we require in the northern part of East Anglia.

I hope that I can compare and contrast the reaction of the coalition Government with the briefing that I went to in 1997 with the newly elected MPs at that time. It was a briefing from Baroness Hayman, the Speaker in the House of Lords, who was then a junior Transport Minister. We were told then that roads were really not on the agenda; nobody was really interested in roads at that time. However, the great outcry and bellowing from the then Members for Norwich, North and Norwich, South—Dr Ian Gibson and Charles Clarke respectively—and others proved that even then we recognised that roads were absolutely crucial.

If the Barton Mills stretch of the A11 is blocked, perhaps by roadworks or an accident, and if the A47 is blocked at the same time—I think that it happened once that both roads were blocked at the same time—there is no doubt that Norfolk will be totally gridlocked. As I say, that gridlock has actually happened. It is ludicrous that that should happen to one of the largest counties in the country and it obviously has a knock-on effect for our friends and colleagues in Suffolk.

In addition, the A11 is criss-crossed by a number of secondary roads. At times, it is almost impossible for people to get across those secondary roads and I believe that that also has a knock-on effect on the local economy.

It seems that Norfolk and Suffolk suffer from a double negative. First, we have an inadequate road link between Norwich and London. At this point, I must gently tease my hon. Friend the Member for South West Norfolk (Elizabeth Truss) and say that Boadicea was, of course, heading towards Colchester and not towards Cambridge; I think that Boadicea's old satellite navigation equipment might have been slightly out when she was heading south to our friends in Colchester for a quiet word in their ear and burning down their capital. While I am at it, I also gently point out to my hon. Friend that in Roman times it was Venta Icenorum, which was outside Norwich, that was the capital of East Anglia. Having Thetford as the capital was a later, rather vulgar occurrence under the Anglo-Saxons. *[Laughter.]* However, Mr Williams, I will pass that by.

As I was saying, the crucial point is that we not only have that inadequate road link but, as my hon. Friends have already pointed out, we have for years had a very inadequate rail link, first run by Anglia and now by National Express. We have all been working to improve that link and I hope that the Minister will pass on to his colleagues who are responsible for the rail network the fact that, when the franchise comes up for renewal, we intend gripping in no uncertain terms, and we will want to interview the various companies that might be thinking of putting in a bid for that franchise.

My hon. Friends have outlined the impact on business and economic development of dualling this stretch of road. My experience of 13 years as a Member of Parliament, in a constituency that is north of Norwich, is that there is no doubt that one of the factors—I emphasise that it is only one of the factors, although I think that it is an absolutely crucial one—in getting investment into Norfolk, either from the rest of the United Kingdom or from overseas, is the perception that our infrastructure, including the important road and rail network, is of poor quality. Even in the age of being able to order goods through the internet, when it comes to companies that ultimately rely on shifting quite heavy duty goods by road and rail, I think that Norfolk and Suffolk frequently lose out if those companies are looking for new places to go to. Therefore, it is absolutely crucial that we re-establish that infrastructure.

The northern part of our region has always been a poor relation. Parts of Suffolk, Norfolk and Cambridgeshire are poor as measured by every index of social deprivation

[Mr Keith Simpson]

that one can think of. My own constituency only has small pockets of social deprivation, but in particular I am thinking of friends and colleagues in Lowestoft, Great Yarmouth, King's Lynn and Norwich, where there are major areas of social deprivation. Therefore, getting in new business is crucial.

We should also bear it in mind that we have about 2 million to 3 million tourists coming to Norfolk and Suffolk each year to visit our beautiful counties and one of the horror stories that they invariably leave with is that of being stuck on the A11. We want to encourage tourism, so roads are crucial.

We should also bear in mind, as hon. Members have pointed out, the importance of the right kind of capital expenditure. I know that the Minister is aware of it; my hon. Friend the Member for West Suffolk has flagged it up. I also pray in aid the support of a colleague who is unable to speak in this debate, although her fragrant presence is before me; I refer to my hon. Friend the Member for Norwich North (Miss Smith), who, as a Whip, may be seen but, sadly, never heard, or at least heard only in private. My hon. Friend the Member for South Norfolk (Mr Bacon) also sends his apologies, as he is on duty at the Public Accounts Committee. Both my hon. Friends have said that there are two types of capital expenditure. The first, once made, may cost more and more. Such expenditure is important, as it includes schools, prisons, hospitals and so on. The second, apart from the occasional need to repair potholes, produces economic growth after the initial capital investment is made. Roads are one of the most important elements of such growth. I commend my hon. Friends for making that point.

Matthew Hancock: Does my hon. Friend agree with the Minister's boss, the Secretary of State for Transport, that there are powerful economic benefits to removing the bottleneck?

Mr Simpson: Yes, absolutely. I am sure that colleagues from other parts of the country will make similar points, but I believe that our point about the A11, which is backed up by the quote from the Secretary of State, is a powerful one.

On the politics of the issue, I have every sympathy for the Minister. His civil servants will have produced a good brief saying, "I commend all the people who have spoken, sympathise with them and feel their pain, but I point out that we are in the middle of a comprehensive spending review and I can therefore make no commitments whatever; kisses to all." I am not being patronising; he is in a difficult position, as are all Ministers in all Departments.

Our most important message to the Minister is that the MPs of Norfolk and Suffolk are absolutely united in the opinion that the A11 should be given priority. We have been to see the Chief Secretary to the Treasury, and some colleagues have met the Secretary of State for Culture, Olympics, Media and Sport to discuss broadband, so we understand the economic constraints, but when the Minister considers priorities during the next few months, we urge him to look carefully at what we have argued for. We believe that, in two to three years, the investment required will produce more tax revenue for the Government and will benefit all our constituents.

10.12 am

George Freeman (Mid Norfolk) (Con): Thank you, Mr Williams, for the chance to contribute to this important debate, and for chairing it. I congratulate my hon. Friend the Member for West Suffolk (Matthew Hancock) on securing it. I hope that the presence of so many of us from across East Anglia will make the point that the case has huge cross-party and cross-county support, and that the Minister will recognise that the issue has a head of steam.

I am conscious of time restrictions, so I will focus on some specific economic benefits. I speak as someone who came to politics after a 14-year career in technology venturing, and who has spent most of his childhood and adult life on the A11 in one way or another. I have some experience of the frustrations involved when travelling within or out of Norfolk.

I shall concentrate on three types of economic benefit: local, regional and national. On the local level, as I said in my maiden speech, my constituency is the jewel in the crown that is Norfolk. It is in the landlocked heart of Norfolk and centres on Dereham. My constituency suffers from all the problems relating to marginalisation and detachment from the mainstream economy. Average incomes in Mid Norfolk are less than £20,000, and we have pockets of extreme, often hidden, rural deprivation and of pensioner poverty. Frustratingly, there are many fast-growing small businesses in the constituency that are desperate to grow and spread prosperity, but they are unable to do so because they are cut off and lie in the heart of a county that is also cut off, as Norfolk is the only county not connected to the national dual carriageway system. That serves only to strengthen the perception in Mid Norfolk that we are destined to be either a quaint rural backwater—perhaps not quaint to those struggling to pay their bills, but quaint to those passing through—or, as under the last Government, a giant housing estate, zoned for growth, and described with ugly terms such as "growth point status".

Neither of those models is what my constituents want. They want a richer and more organic way—dare I say, a Norfolk way, an idea that hon. Members have heard me discuss. It involves a vision of a vibrant rural economy based on jobs in villages, smaller pockets of housing, and entrepreneurship in the countryside. All of that can happen; the only thing holding it back is a lack of infrastructure and a lack of ability to get in and out of the area, whether by broadband, road or rail.

My constituency sits between Norwich and Cambridge, two world centres for innovation in technology and enterprise. It is ironic that it languishes in rural poverty and marginalisation, given that to the west and east are growth hot spots struggling to provide capacity when it comes to housing and transport infrastructure. We do not want a handout; we want a way in and out, so that our local businesses can thrive.

Turning to the regional argument, anybody looking at East Anglia will find it striking that although over the past 15 to 20 years it has had high growth rates, particularly in and around Cambridge and Norwich, it also contains pockets of extreme deprivation. How can Cambridge, an inflationary hot spot of new technologies, be so close to centres of deprivation in Peterborough, King's Lynn, Cromer, parts of Norwich, Yarmouth, Lowestoft and parts of the Suffolk coast? Anybody coming to the area

would think that it must be prosperous. It is as though California had around its perimeter pockets of the extreme deprivation recognisable in bits of the Bronx in New York. The reason is that it is so difficult to get around. Despite having worked in Cambridge for 10 years, I know nobody there who does business with companies in Yarmouth. Companies in Yarmouth should be doing business with companies in Cambridge, but if it reliably takes more than three hours to get there, that will not happen. That key piece of dualling would unlock the regional economy.

Additionally, on the east coast of our county there are national assets in the form of container ports, where huge amounts of national trade arrive before setting off on a journey through East Anglia to the rest of the UK economy over a non-dualled section of road—the A47, to which another hon. Member referred. It is ridiculous, from the point of view of national infrastructure and the national economy, that at the heart of the county is a bottleneck holding back so much growth.

On the national economic picture, the Government have proposed a clear and important programme for getting the public sector deficit under control and promoting private sector growth through the "open for business" programme. East Anglia can lead in such growth and in rebalancing our economy geographically, as well rebalancing it away from an over-dependence on the City, housing and consumer spending. We can lead in three of the world's biggest growth sectors: biomedicine, clean technology and food science.

In the Norwich research park, more than 2,500 scientists work in what is recognised as a global centre of excellence. A team there under Professor Jonathan Jones has just pioneered the world's first blight-resistant potato, an enormous innovation with the potential to transform food growing not just in this country but around the world. How ridiculous is it that when companies come here to inspect that technology and discuss licensing it, they may fly to Stansted and then face an impossible journey to a world-class centre of excellence over a single carriageway? That reality is holding back our potential. All we ask is for the Minister to acknowledge the potential that our economy would have if we had that section of dualling.

The section of the A11 that is in my constituency is dualled. However, although that makes it convenient to get around Attleborough, it is not much good if our business people hit a traffic jam when they head south to interact with the national and world economy. We have all made a compelling case on this matter. I thank hon. Members for listening and very much look forward to the Minister's reply.

10.19 am

Ben Gummer (Ipswich) (Con): Last Friday, I was at Ipswich station for the naming of a new train, the Evening Star, which is, of course, the name for Venus in the night sky. Coincidentally, it is also the name of a local newspaper in Ipswich. At that event, I was able to relate the sad story of how the people of Norwich stood in the way of the introduction of a train line from Ipswich to Norwich in the 1840s. It was only through the enterprising intervention of the then Member of Parliament for Ipswich that the train was able to go via Ipswich, and Norwich was released from the isolation that it had hitherto suffered. It is good to see that my hon. Friend the Member for West Suffolk (Matthew Hancock) is carrying on that fine tradition of progressive Suffolk MPs fighting for better transport links to Norfolk and Norwich. I know that some hon. Members could not attend this debate; my hon. Friend the Member for South Norfolk (Mr Bacon) is pained not to be here, and we are pained by his absence.

We were given a Betjeman-like description of the trouble of driving along the A11 by my hon. Friend the Member for West Suffolk. It is a journey that I have made many times. As Betjeman would have understood, when one travels on the railways in the west of our country, the train often goes from field to field, as the railway dodges what were the objections of local landowners. That is why it is so refreshing to have not only a progressive Member of Parliament in West Suffolk, but a progressive landowner in Lord Iveagh, who has kindly and brilliantly championed the A11, much of which transgresses on his land.

We Suffolk MPs are so keen on this route because we are Conservatives, and we believe not in levelling down, but in increasing both the general wealth and the regional prosperity of our two counties. I am pleased to be joined by the Norfolk MPs in that quest; they are clearly following in the tradition of past fine Suffolk MPs. One might well ask why the Member of Parliament for Ipswich is arguing for better road links to Norwich. Well, increased prosperity in Norwich is, of course, very good for Ipswich. The good people of Norwich can visit our superior parks and our pre-eminent museums and galleries. They can also come to be trashed by our transcendent football team. All of those things are good for Ipswich and for the people of Norwich.

Many transport infrastructure projects affect both our counties, and it is entirely right—I am glad that my hon. Friend the Member for Broadland (Mr Simpson) referred to this—that we are hunting as a pack, as the issues affect all of us. In my case, there is the issue of improving the Copdock interchange and the Harris Bacon curve, which will allow freight to go to the midlands and will allow us to improve our main train line from Norwich to Ipswich and London. Of course, there is also the matter of the franchise arrangements, which we will approve in the near future, and my hon. Friend referred to that subject.

Traditionally, our two counties have suffered from a chronic lack of investment in transport infrastructure. That is a missed chance, because we are one of the regions that contribute to the Exchequer—not many do. It would seem sensible to invest in that success to enable the major towns and areas of our two counties to grow and prosper even more. In that way, we can benefit the rest of the country.

Elizabeth Truss: Is it not the case that, under the previous Government, the economic return of projects was not properly considered or factored into decisions that were made? That is why so many rational projects did not go ahead at a time of unprecedented Government spending. They failed to fix not only the roof but the road while the sun was shining.

Ben Gummer: I am pleased to endorse my hon. Friend's comments. She is entirely right: capital expenditure was neglected, particularly in the east of England. A point

[Ben Gummer]

that I made in my maiden speech, and that I wish to impress time and again on the Exchequer, is that although the Budget for this year is set—I was glad to see that capital expenditure was protected in it—it is vital that ongoing Budgets bear down as much as possible on current expenditure to release funds for capital expenditure.

As anyone who has driven around the country knows, after going down nice bits of dual carriageway, one suddenly drives into a village where everything is blocked. That has gone on for too long. The issue is not just with the A11. We have failed to finish major infrastructure projects across the country. As for the spending on roads to which the Government wish to commit over the next few years, they should start by tidying up those areas that clearly need investment, and the issue that we are raising is surely at the top of the list.

I would like to touch on one further point. Members from Norfolk and Suffolk have been writing letters of a joint nature on schools, health care, broadband, roads and railways. In all those things, we lag behind the rest of the country, in terms of spending per capita. It is simply unfair for that to persist. It occurred not only under the previous Administration, but under Administrations before them. The situation is unfair, and not just because it fails to release the prosperity of the counties of which I have spoken; it is unfair on the pockets of deprivation that my hon. Friend the Member for Mid Norfolk (George Freeman) mentioned so wisely. It is all too easy for deprived areas that are surrounded by areas of relative affluence to be forgotten because of their wealthy neighbours. That is not fair on those areas.

In 1277—a year much lamented by Welshmen in this House; I count myself as one—Edward I began his invasion of our nation. He progressed with a giant force of not archers or swordsmen, but road builders. He built a road across the Dee from Chester to your beautiful constituency, Mr Williams. I am glad to see a new reincarnation of that great king in my hon. Friend the Member for West Suffolk, who, I hope, will drive a road not to Caernarfon but to Thetford and then Norwich. He will thereby release for both Norwich and Ipswich the prosperity that we can realise only by receiving the investment that we need.

10.27 am

Simon Wright (Norwich South) (LD): I congratulate the hon. Member for West Suffolk (Matthew Hancock) on securing a debate on an issue that I know he campaigned on long before he was elected. Like so many of us, he raised the matter in his maiden speech—indeed, he managed to lobby me on the issue before either of us had been sworn in as an MP. I also pay tribute to the work of my neighbour the hon. Member for Norwich North (Miss Smith), who is sadly unable to address us. I know she cares passionately about the issue because of the benefits that dealing with it will bring to the people of Norwich.

It is important to recognise the challenges posed to the local economy by lack of infrastructure in and leading into Norfolk. The county's economic position within the east of England and the greater south-east region is not typical of those areas. Business birth rates in Norfolk are less than 9%, which compares poorly with a rate of more than 11% across the east of England, and prospects appear to be worsening relative to the wider region, with the number of business births in Norfolk down by 17.5% since 2007. That figure compares poorly with a drop of around 5% across the wider east of England.

In 2004, there were 3,690 new businesses in Norfolk; in 2006, that figure fell dramatically to 3,195; in 2008, it fell dramatically again to just 2,765. Norfolk is slipping further behind, and the gap is widening. In the past, East Anglia has generated a high number of start-ups, some of which have gone on to achieve huge success, such as Bernard Matthews and his turkeys. The drop in start-ups in a county that has traditionally relied economically on large numbers of small business operations is worrying. A key reason for that decline is the lack of infrastructure within a sparsely populated county, which puts it at a competitive disadvantage.

Yet Norfolk can contribute so much. There is huge untapped potential in Norwich and across Norfolk waiting to be unleashed by the completion of the dualling of the route. My constituency is at the end point of the A11, and it is appropriate that its starting point was originally the Bank of England, because Norwich businesses will need a fast, direct route to the banks for the enormous proceeds that dualling the road will generate. Norfolk has the potential to be at the cutting edge of green technology, science and research, but that depends on improving our infrastructure. Offshore energy, engineering, financial and business services and creative and media industries are among the areas in which Norfolk could be a world leader, but to develop them we must overcome the shortcomings in our transport system. It is enormously frustrating that a whole county's development has been held back by a series of delays to a final decision on upgrading the A11.

Norfolk's transport infrastructure has been under-invested in for decades. The need to dual the A11 was first raised nearly 40 years ago by Edward Heath in 1971. In 1984, the *Eastern Daily Press* threw its weight behind the campaign, as have dozens of Norfolk MPs over the intervening years, and yet we are still waiting in 2010. It is perhaps because of that long-term under-investment that the economic case for dualling the A11 is so compelling. Norwich is the largest UK city that is not connected to the dual carriageway and motorway network, and making that connection is one of the few low-hanging fruits, ripe and easily picked, that would result in enormous benefits. For Ministers looking for cost-effective ways of delivering economic benefits through infrastructure investment, the A11 is surely at, or near, the top of the list.

Norfolk is geographically isolated and sparsely populated, which provides challenges for economic development, and the poor quality of the county's road network and its lack of connectedness make those challenges much harder for businesses to overcome.

Matthew Hancock: Does the hon. Gentleman agree that not only do businesses in Norfolk lose out as a result of that bottleneck, but many businesses at the other end in Suffolk, which would dearly love to work with the great businesses he has mentioned and the great scientists other Members have mentioned, lose out because the bottleneck splits those two areas?

Simon Wright: I certainly agree with that point and thank the hon. Gentleman for making it. The benefits would be not just for Norfolk, but for all the other areas where greater interconnectedness would provide new business opportunities.

The other major roads leading into Norwich and Norfolk from outside the county are single carriageway for significant and extended stretches, which places an even larger strategic value on the A11. Getting Norwich and Norfolk better connected to the wider region is a vital step towards overcoming our geographical constraints and the competitive disadvantage that businesses in the region face. The journey time savings that would result from dualling the final stretch of the A11 are estimated at around seven minutes during peak times, but they could be considerably greater. Lack of capacity on the road regularly leads to delays of up to 20 minutes or more, or considerably longer during peak holiday seasons. Those who witness the A11 at the start and end of bank holiday weekends witness a seemingly never-ending convoy of caravans going nowhere, which is surely a deterrent to return holiday visits to the county, and it unfairly reinforces the stereotype of Norfolk as a remote and peripheral region.

A £600 million benefit to Norfolk's economy is waiting to be realised from the dualling of the A11, providing significant value for money at a time when public spending needs careful scrutiny for economic impact, as so many hon. Members have said in the debate. The Atkins report identified time savings worth £558 million and a further £136 million of wider economic benefits, including agglomeration benefits. Much of those agglomeration economies will be driven by productivity increases in Norwich. Businesses in my constituency and research institutions in and adjacent to Norwich are particularly likely to see the positive impacts of increased clustering. The region will see the economic benefit of improved connections between two key centres of growth: Norwich and Cambridge.

Ben Gummer: May I mention a third sector of growth, in addition to those in Ipswich that I have mentioned? My hon. Friend might be interested to know that Martlesham has the largest area of software development in Europe, and because of the poverty of the A140 as a road, the quickest way to get there is via the A14 and A11, so getting the third part of the triangle is important for his constituents and mine.

Simon Wright: I certainly take that point on board. There is enormous expertise and world-class research in Ipswich, as well as the existing business opportunities. There is a real opportunity for all centres across the region to benefit from the clustering effect.

Businesses are being deterred from investing in Norfolk because of the A11's current inadequacies. Tackling the bottlenecks on the route will provide a huge confidence boost to businesses in Norfolk and outside that are looking to generate new investment and employment opportunities in Norwich and Norfolk. Norwich is one of the UK's top 10 shopping destinations, but despite that some major retailers have held back from investing there because of the threat of hold-ups to deliveries on the A11.

The completion of the dualling of the A11 was identified as the No. 1 priority for Shaping Norfolk's Future, the private sector-led economic development partnership. Its petition attracted 16,000 signatures and all-party support from the county's MPs. Norfolk chamber of commerce, alongside Shaping Norfolk's Future and more than 100 business leaders from Norfolk and Suffolk, submitted a joint letter of support for that proposed scheme. The consensus is strongly in favour of the scheme and the strength of feeling is high.

In conclusion, the reason there is such huge support for the scheme is that the case is so compelling. It will bring major economic benefits to Norwich, Norfolk and well beyond, at a time when capital investment projects need to demonstrate strong justification. I am confident, as I hope the Minister is after hearing our submissions, that the evidence in favour of the scheme proceeding is compelling. I strongly urge Ministers to reach a conclusion on it as quickly as possible so that Norwich and Norfolk can look forward with optimism and confidence to future economic development.

10.37 am

Mr William Bain (Glasgow North East) (Lab): It is a pleasure to serve under your chairmanship for the first time, Mr Williams. I congratulate the hon. Member for West Suffolk (Matthew Hancock) on securing this important debate, which is of great relevance to securing higher economic growth in East Anglia and the wider east of England area. The fact that I am faced by so many Members on the coalition Benches and have no Members on my own Benches shows just how far my party has to go in trying to win back the trust of people in the east of England, a task that we shall pursue with great diligence in the course of this Parliament.

The hon. Gentleman and the hon. Member for South West Norfolk (Elizabeth Truss) campaigned with great effectiveness and persistence before and after the general election for the dualling of the nine-mile stretch of the A11, between the Five Ways roundabout at Barton Mills and the roundabout at the southern end of the Thetford bypass, and I pay tribute to their efforts. We have followed the hon. Gentleman's contributions in the Chamber with great interest, particularly those on economic matters. He has quickly demonstrated a zeal for fiscal consolidation, of which his right hon. Friend the Chancellor would undoubtedly be proud. Indeed, given the hon. Gentleman's background, it would not be surprising to learn that he was the architect of the plan for fiscal consolidation. Today, however, he made a surprising but welcome case for targeted capital investment in transport infrastructure. Who knows what further progress we may make before the end of this Parliament? Perhaps we will find that beneath that only occasionally monetarist exterior there beats the heart of a Keynesian after all, at least with regard to transport investment.

Elizabeth Truss: Is it not the case that even Adam Smith, quite a dry economist, suggested that infrastructure spending was important for the viability of businesses? It is hardly a Keynesian case.

Mr Bain: The hon. Lady makes an important point, and one to which I will return later in my remarks. I know that hon. Members are keen on establishing the provenance of their arguments through literature reviews—indeed, I have an important article to which I will refer later.

[Mr Bain]

The hon. Member for West Suffolk eloquently argued that investment in roads now can generate higher economic growth in the future—I strongly agree. I pray in aid an important article by Nicholas Crafts in the *Oxford Review of Economic Policy* last year. He cited the problem of the relative lack of transport investment in roads over the past few decades, for which Governments of all political hues should be held accountable. The important point in his piece—indeed, the nub of his argument—was that public investment in roads provides greater returns in private investment. He concluded that the productivity gains obtained "crowd in" and do not "crowd out" private investment. I hope that Government Members take that argument on board.

I pay tribute to the other contributions to the debate from the hon. Members for South West Norfolk, for Great Yarmouth (Brandon Lewis), who spoke with great insight about the benefits of the A11 dualling for his area, for Waveney (Peter Aldous), for Broadland (Mr Simpson), for Mid Norfolk (George Freeman), for Ipswich (Ben Gummer) and for Norwich South (Simon Wright).

As the hon. Member for West Suffolk mentioned, although investment in completing the dualling could cost the public purse anywhere between £106 million and £147 million, the Highways Agency has estimated that such investment would bring £557 million in benefits to the East Anglian economy and improve safety capacity and journey times along the A11.

The hon. Member for Norwich South referred to the Atkins report commissioned by the East of England Development Agency, Norfolk county council and the Government office for the East of England. It established that benefits could be worth £202 million for commuters and leisure travellers, £355 million for business travellers, including freight and car travellers and an additional 20%—perhaps £136 million—in time savings.

In the "A11 Wider Economic Impacts Study", Atkins makes a powerful case for the economic benefits that could be brought by the dualling. The report cites increased business efficiency and confidence, and bringing together the communities of Norfolk and Suffolk—tangible benefits that would emerge from the investment.

The section is the last remaining stretch of single carriageway on the M11-A11 route to Norwich, where congestion is a consistent problem, exacerbated at times by agricultural traffic. A public consultation was initiated in 2001, a preferred route was announced in November of that year, a draft order was published in 2008, and a public inquiry commenced in November 2009.

The project has been met generally with favour and approval locally. The Royal Society for the Protection of Birds and Natural England, reportedly opposed to the scheme at first, withdrew its opposition after the Highways Agency agreed to create suitable habitats for nesting stone curlews. On 28 April, as already referred to, my noble Friend Lord Adonis, the then Secretary of State for Transport, on behalf of the Labour Government made a commitment to complete the dualling of the nine-mile section between Thetford and Barton Mills, subject to receipt of the planning report following the public inquiry into the project.

Ben Gummer: I am interested in that admission. Given the journal cited earlier by the hon. Gentleman—I am afraid that I missed that issue, but it seems self-evident that investment infrastructure is important, especially roads—why did the Minister make such a declaration on 28 April this year and not on 28 April 1998?

Mr Bain: As ever, the timing of my noble Friend Lord Adonis was impeccable. He will have made that decision having weighed up all the factors, in his inimitable style.

Other transport capital investment is contributing to economic recovery in East Anglia. Rail freight contributes £870 million to the UK economy each year, and Network Rail's decision to upgrade the line between Felixstowe and Nuneaton via Ipswich, Ely and Peterborough will help the rail freight industry in East Anglia in particular, potentially taking 750,000 lorries off the roads in the UK and on to rail by 2030.

I am pleased to see the Under-Secretary of State in his place. During the election campaign there was quite a tough war over the A11 dualling between his right hon. Friend the Minister of State, Department for Transport and his hon. Friend the Under-Secretary of State for Transport, the hon. Member for Lewes (Norman Baker). The coalition agreement makes 12 commitments on transport issues, but none relates to the £6 billion plan for roads investment which the Government inherited from their predecessors.

I hope that the Minister will take the opportunity today to affirm the Government's support for necessary improvements to our roads network, of which the completion of the A11 dualling is a key part, and to make it clear that the Liberal Democrat pre-election policy of cuts in new roads investment has been repudiated. More widely, can he outline what his Department's criteria are in its value-for-money analysis of transport capital projects? Can he indicate which criteria, in his view, the completion of the A11 dualling would fulfil?

My broader point, which was referred to by the hon. Member for West Suffolk, is that countries that have attempted a programme of fiscal consolidation remotely resembling that being pursued by the Government have seen transport as an easy target. Canada in the mid-1990s is a case in point, where spending was slashed by 50%. That must not happen in the comprehensive spending review and in the programme of fiscal consolidation.

Matthew Hancock: I am grateful that the hon. Gentleman accepts that the Government of whom he was a part failed to invest in infrastructure enough. It is good of him to admit that. Therefore, does he agree that not reducing capital spending in the Budget was the correct decision? Given his citation of the economic literature, does he commend that decision by the Chancellor?

Mr Bain: The point made in the Crafts article, and in a number of studies, is that Governments—both Labour and Conservative—over decades have not invested enough in transport. I hope that that is borne in mind in the comprehensive spending review.

Am I content that the Chancellor has not cut capital investment further? Absolutely. We shall see what happens on 20 October, but transport has a strong case for needing additional capital investment, not least in projects such as the completion of Thameslink and high-speed rail, on the benefits of which I have spoken in previous Westminster Hall debates.

I hope that the Minister will show today that he and the Secretary of State are prepared to fight for investment in our roads, buses and trains, and do not simply see their budget as one which is ripe for pruning by the Chancellor. I pay tribute to the contributions made by other hon. Members and hope that the Minister will have good news for the people of Norfolk and Suffolk.

10.48 am

The Parliamentary Under-Secretary of State for Transport (Mike Penning): It is a privilege to serve under your chairmanship, Mr Williams, for the first time on the Government side of the House, under the new coalition.

My hon. Friends are hunting in a pack today, as they do regularly in the House. I congratulate them on doing so. It is good that people stand up for their communities, come together to agree what they agree on and move forward on that. I am somewhat trapped, as hon. Members know, by the draft orders that are still in place. I must be slightly careful about what I say so that I do not prejudice any developments. The spending review is still going on and, once it is over, we will announce as soon as possible which programmes will go ahead. That is the right way to proceed—promises broken are not worth anything.

The shadow Minister, the hon. Member for Glasgow North East (Mr Bain), referred in his short comments to unfunded projects. We know that many of those projects would not have gone ahead unless the previous Government had borrowed even more and given us even more fiscal problems than we have at present.

My hon. Friend the Member for Broadland (Mr Simpson) said that I have a speech written by my officials. Yes, I do, but, if I tried, I would not be able to read it in the next 10 minutes. Actually, because of the nature of the debate, I think that it would not be right and proper to do that. In the time that I have been in the House, I have often sat on the other side of this Chamber and watched Ministers read out, in good faith, what was put in front of them by their officials, but not respond to comments that were made during the debate.

This debate has been excellent, and I shall try to respond to as many questions as possible. If I cannot respond directly today, I shall write to the individuals responsible on the issues that have been raised. So much has been said, and I do not want to leave anything hanging in the air. We will write, talk about the issues and work together to go forward.

I have been lobbied by Members of this House—the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the hon. Member for North West Norfolk (Mr Bellingham), and my hon. Friends the Members for Norwich North (Miss Smith) and for South Norfolk (Mr Bacon)—who, because of other responsibilities, were not able today to make the points that they would have liked to make. However, they have made their views known to me in the Tea Room, in the Lobby and anywhere else. My broad shoulders can take the kind of lobbying that I get on roads at present.

My hon. Friend the Member for West Suffolk (Matthew Hancock) put the argument for the A11 fantastically well. I am extremely familiar with that part of the world. Until I went into the military at 16, I spent every holiday on the Norfolk Broads, and, since I left the military, I have spent at least one long weekend every year in the area. My children are grown up now—they are 19 and 21—but they will not mind my saying that they loved Center Parcs when they were young. We have sat on the A11 more times than I have had hot dinners, long before air-conditioning for cars was invented, cooked while we waited, and then took our lives in our hands as we tried to cross back on to the A11. That was before the new traffic lights were put in at Elveden for Center Parcs. I know that they caused a great deal of controversy locally when they were put in, but they have saved lives.

On saving lives, there were 148 accidents between 2004 and 2008 on this section of the road, 12 of which were serious and two of which were fatal. Our thoughts are with the families and loved ones of the people who lost their lives on that road.

The argument is broad. It is about congestion, but what does congestion cause? We have heard today about the economic effects on communities in Suffolk and in Norfolk. I visited many hon. Members during the general election in my shadow Health role, which I had before I moved to my new and exciting role as the Roads Minister. I talk about roads all the time to everyone—I love being the Roads Minister.

My hon. Friend the Member for Great Yarmouth (Brandon Lewis) is here today. I went to Great Yarmouth when he was the candidate. I went up the night before because I was petrified about not being there on time for an appointment at 9 o'clock the following morning—I know what that road is like. He was generous and very kind in entertaining me the night before.

The argument is not just about business, although the business argument is there, but about other factors that we need to consider such as pollution, and the environmental effects on constituents of that kind of congestion on the road. Investment decisions have to be made not only about businesses but about homes. There is no point building many homes in a part of the world where the road infrastructure is so bad.

I will ensure that the points raised by hon. Friends on rail infrastructure, particularly for freight, are taken to my right hon. Friend the Minister of State, Department for Transport, and that she is made aware through my officials of the comments that were made today. I visited Felixstowe only the other day, and I know that investment in rail to get freight out of that part of the country is crucial to such ports. I pay tribute to Hutchison for investing in the railways, not just there but further down the line as well.

In many ways, the things that were said today show what is great about this country. Politicians will not give up on this—I am thinking especially about the new generation of younger politicians. I am conscious that I shall have to look at why this section of the road has not been dualled, and whether there is funding for it. Obviously, I will look at why, in 13 years, the previous Government did not do the work. They did some of the preparatory work, and they knew when they came in how important it was.

The hon. Member for Glasgow North East said that the project was important, and asked me to give an answer today. He had 13 years to get the previous Government to do that. Actually, because they borrowed so much and did not worry about the country's fiscal situation, the funding was there.

The Secretary of State for Transport, officials and I will look at the business case. Projects have gone ahead

[Mike Penning]

in the past 13 years with tiny benefit-cost ratios of 1 and 2. Projects with a business case that is a tiny percentage of that for the A11 were started and are going ahead today. All I can say is that, if I had been the Roads Minister then, such projects would not have gone ahead because there was not a local business or environmental case for them.

I cannot change the past. I cannot say today that I will stop projects halfway through. We have said that every road project across the country that has not started will stop, and we have stopped the public inquiries. I do not want public money spent on public inquiries, projects and engineers, plans being drawn up and the public worrying even more, if there is a possibility that many of the projects will not go ahead. If we are to make progress, it is right and proper to ensure that the money is there.

What are we looking at? The BCR for the A11 project is not 2, 3, 4 or, as alluded to earlier, 19—it is actually 20. I shall not beat about the bush. My hon. Friend the Member for West Suffolk asked me to comment on what the Secretary of State said the other day about the project having a very high BCR. I will repeat what he said: it has a very high BCR. We are waiting for the analysis to be done within my Department to confirm that it is 20. If it is not, I am fairly certain that it will be between 19 and 20, and, if that is the case, it is very high.

Can I say today that the project will go ahead? No, I am sorry that I cannot. However, I promise to look at all the environmental, business, community and pollution advantages of each scheme, including the A11 scheme. I most certainly will do that.

Matthew Hancock: On behalf of my colleagues, may I say that we are extremely grateful for the Minister's thoughtful and direct response? Is he able to publish, or point us to published evidence of, the BCRs for the other projects that are in the pipeline?

Mike Penning: The coalition Government and I, as Minister, are determined to be as open and honest as possible in respect of all projects. At present, there are no projects in the pipeline. When we publish our decisions, I intend to publish what is likely to go ahead and also what will not go ahead.

I am conscious of blight associated with some projects around the country. Believe it or not, communities desperately do not want some projects to go ahead, yet the previous Government were going to force them through. We should not do that, if we believe in local democracy and local people having a right to say what should happen. If there is a shortage of money, and if they do not want a project to go ahead, it is unlikely—not definite, but unlikely—that it will go ahead.

I promise that when we list the projects that will go ahead, the BCRs and business cases for them will be published. We will also publish the business cases for projects that will not go ahead, so that the public know exactly what they are. In some cases, people may wish to challenge a decision not to go ahead, so there will be consultation. It is important that people feel that this is not a done deal, and that they can challenge the business case and start to come forward with some innovative ideas.

Hon. Members may be aware that for junction 11A of the M1, which is one of the other projects being considered, the local community joined the developer and came forward with a substantial amount of money—some £50 million—to aid the project, should it go ahead. That new way of thinking involves developers and communities coming together for a project that they want. I am saying not that that is what should be done in respect of the A11, but just that there are different ways of doing things. We will be open and honest about that as we develop the road programme.

I congratulate my hon. Friend the Member for West Suffolk and other colleagues on spending so much time in this Chamber on the last day before the House goes into the summer recess. I congratulate them on hunting as a pack, and I look forward to more lobbying in the Division Lobbies and the Tea Rooms.

Burton upon Trent County Court

11 am

Andrew Griffiths (Burton) (Con): Thank you, Mr Williams, for presiding over my first appearance in a Westminster Hall debate. I hope that you will be gentle with this Westminster virgin.

I thank the Minister for giving up his valuable time to attend. He knows that I have attempted to make points on behalf of my constituents in Burton on a number of occasions; I am grateful for the opportunity to make my case today. I also thank the Minister for engaging in genuine consultation. Unfortunately, under the previous Government, we got used to consultations that were little more than an exercise in futility—tick-box exercises, rubber-stamping decisions that had already been made in an air-conditioned office in Whitehall, delivering a Minister's grand master plan. There is genuine reassurance in knowing that we have a proper consultation, with discussion and debate, about the future judicial system. I have visited Burton county court and met the staff, who appreciate having the opportunity to make their case for Burton county court surviving.

The Minister understands that the proposed closure of Burton county court is of concern to my constituents in Burton and Uttoxeter—to those hard-working people employed in the justice system, to those who use the service, and to those who are worried about how the judicial system will operate in this brave new world.

It is important to recognise that savings across the public budget are urgently needed. The previous Government's excesses and mismanagement have left the country, like many families and businesses in my constituency, facing difficult, tough decisions when it comes to paying for the essentials in life. This debate takes place in the context of those tough financial constraints.

My constituents are not stupid: they realise that the country is broke and that savings have to be made. It is understandable that the Courts Service should bear its share of that belt-tightening, but it is equally clear that that belt-tightening must be done in a manner that protects the interests of justice and, above all, access to justice. Although this debate relates to the proposed closure of Burton county court, it would be a mistake to consider the matter in isolation, rather than as part of a wider reorganisation programme.

Underestimating the role that the county court system plays in our society would be a fundamental mistake. The services offered by Burton county court, and county courts throughout the country, often deal with the most sensitive, painful and challenging elements of modern life; bankruptcy, divorce and family breakdown are all dealt with in our county courts. Those courts represent a direct link between our local communities and the justice system. We must understand fully the impacts that any closures will have on those communities before we proceed with any closures.

The previous Government's disastrous post office closure programme showed us that proposals that might appear justified when considered in isolation can have a disproportionate effect when their cumulative impact in an area is considered. I fear that those mistakes could be repeated if the proposed closures in the county court system go ahead. That is why I am delighted to be able to urge the Minister to stop and reconsider the impacts.

Nationally, the reorganisation of the court system will mean that approximately 25% of county courts will close. Yet in Staffordshire, as my hon. Friend the Member for Stafford (Jeremy Lefroy) knows, Leek county court has already been lost, and it is proposed that two of the four remaining county courts should go, so the cut in my county will be 50%, which is double the amount expected elsewhere in the country. Both the county courts that are closing—Burton and Tamworth—are in the eastern part of the county. Closing both those courts simultaneously would be a double blow to the area, leaving residents in both east and south-east Staffordshire with long journeys to the nearest county court.

Jeremy Lefroy (Stafford) (Con): I congratulate my hon. Friend on securing this debate. Is he aware that in Staffordshire more than 23,000 fines, with a value of more than £11 million, remain uncollected by the Courts Service? Residents of Staffordshire will therefore find it difficult to see why there should be the 50% cuts about which he reminded us.

Andrew Griffiths: I thank my hon. Friend for his insightful and useful intervention. It is important to consider the effectiveness and efficiency of the court system. As he says, such a backlog of unclaimed fines is unpalatable and uncomfortable for anybody running the court system. I will mention later the impact that the proposals for cuts will have on the future efficiency and effectiveness of the courts.

The proposal in the consultation document is that work from Burton will go to either Derby or Stafford, my hon. Friend's constituency. The consultation paper states that Stafford county court is 26 miles away by car, by the shortest route, and that the journey takes 45 minutes by car. Even by car, that is no short journey, and the task of attending court will be much more difficult for the 24% of households in my constituency—almost a quarter of my constituents—that do not have access to a car or van and rely solely on public transport. Many of those households are among the most vulnerable in the area, comprising those on a low income, the elderly and people with disabilities. A third of the wards in my constituency that are covered by the county court are among the 20% most deprived wards in the country; that gives an indication of the kind of vulnerable people who are served by the court. That deprivation brings with it related problems of poverty and increased social and family breakdown—precisely the kind of problems dealt with by the county court.

According to the consultation paper, it takes two hours and 23 minutes to get from Burton to Stafford by bus—a journey well worth making, because Stafford is a wonderful place to visit—but the round trip takes the best part of a working day for anybody from my constituency who wishes to attend the county court in Stafford. It takes five hours to travel there and back, not taking into consideration waiting time or the time for the case to be heard. Even the train takes one hour and 40 minutes, with a change, at a cost of some £14.30 for a normal adult return fare. That is simply unaffordable for many on low incomes in my constituency.

[Andrew Griffiths]

It is important to remember that the journey times calculated are for a journey from the county court in Burton to the proposed alternative in Stafford. For the many people who do not live right next door to Burton county court, the journey will be significantly longer, because they will have to go into Burton town to get a train or bus to travel onwards.

As for constituents who live in areas such as Marchington, which is one of the larger villages in the middle of my constituency, or Rocester, the home of JCB, no combination of trains and buses can get them to Stafford county court in time for a 9 o'clock meeting. I accept that Derby county court is more convenient for some of my constituents than Stafford, and it may seem sensible in principle to say that cases will be transferred from Burton to Derby, but many people have doubts about whether that is likely to happen in practice, and what percentage of cases will be affected. Perhaps the Minister will tell us what he envisages happening, and how many cases he proposes to send to Derby, and how many to Stafford. That would provide a clearer picture of what we may expect.

Derby court falls outside the West Mercia and Staffordshire area court services. Derbyshire's courts are subject to a separate review, and I would like an assurance from the Minister that the two reviews will be dovetailed together and considered as a whole. What guarantees can he give that if changes to the county court service in Derbyshire lead to more work being transferred from other courts in Derbyshire to Derby county court, Burton will not fall down the pecking order, with cases ultimately being transferred to Stafford, with the associated difficulties that I outlined?

The suggestion in the consultation paper that work could be transferred to Derby has so far done little to reassure my constituents. We must consider the consequences of the vastly increased travel times. I fear that they will result in people not bothering to attend. If witnesses are faced with five hours' travel to give evidence for 20 minutes, they will simply not turn up, and that will further frustrate the court system, delay justice and waste even more money—taxpayers' money. Surely, if the priority is to reduce inefficiency in the court system, our priority should be to tackle non-attendance in court and non-payment of fines, an issue to which my hon. Friend the Member for Stafford referred. That is a problem in the civil courts and in magistrates courts, and it should surely be at the top of our hit list. The problem will be made worse by increasing the inconvenience for witnesses who are called to give evidence.

Karen Bradley (Staffordshire Moorlands) (Con): My constituency has no court facilities whatever, and little public transport, so I can vouch for my hon. Friend's points about witnesses' inability to get to court, and the difficulties created for many of those constituents of mine who are called as witnesses.

Andrew Griffiths: I thank my hon. Friend for her important intervention. I mourned the passing of Leek county court; in a rural constituency such as hers, it is important to consider travel times and the sparsity of public transport. Not to do so would be to the detriment of justice and fairness in the system.

I am worried about the impact on the legal process. It is not difficult to understand that some witnesses will find it difficult if they are forced to travel to court on the same bus as the plaintiff, the defendant or the person against whom they will give evidence. It is not difficult to understand that witnesses may find that a harrowing and frightening experience, perhaps frightening enough to stop them giving evidence. Will the Minister assure me that he does not envisage everyone involved in a case being forced to travel on the same bus to give evidence?

In the consultation paper, the rationale for closing Burton county court seems to rest on two factors. The first is that the facilities have not been upgraded, and that is obviously due to the previous Government's failure to invest properly in the Courts Service. I yield to no one in my belief that public spending must be brought under control to repair the damage that was done by that spendthrift Government, but it would be short-sighted, and would damage the justice system, if we closed the court to save the one-off capital cost required to bring it up to scratch. Imposing such a cut, which would significantly inconvenience many east Staffordshire court users, to save what would not even amount to a rounding-up error in the deficit reduction plan risks undermining confidence in the bigger picture of balancing the nation's public finances.

The second reason suggested in the proposal is that Burton county court is not used efficiently. I have met the dedicated, committed and hard-working staff, and there is no doubt but that it is not used efficiently. It has a total of 178 sitting days before district and deputy district judges, but the problem could be easily overcome if we considered the overall effect of the closure of courts in Staffordshire, rather than considering the closure of Burton county court in isolation.

The consultation paper proposes the closure of two courts, the second being Tamworth county court; its work would be transferred to Stafford. Tamworth is 11 minutes from Burton by train, and the bus links between the two are fabulous. That closeness is recognised elsewhere in the Minister's helpful consultation document, where it is proposed that Tamworth magistrates court be closed and its business transferred to Burton. Surely the answer is to follow that approach, and to transfer county court cases to Burton. That sensible approach would add an additional 60 sitting days, at least, to Burton county court, vastly improving its effectiveness and efficiency, and delivering much better value for money and access to the justice system.

Court users in Tamworth would benefit from the proposal, because they would have to travel only to Burton, rather than to Stafford, and the case load at Burton would rise to the necessary amount because of that increased work load. Furthermore, Staffordshire would bear its fair share of the burden of the reorganisation, losing one in four of its county courts—exactly the national average of 25%. I respectfully ask the Minister to reconsider the proposals, and to ensure that we have a strong civil court system in Staffordshire that offers access to justice for all, rich or poor. I ask him to ensure that Staffordshire shoulders its fair share of the pain, and to guarantee that my constituents will have fair and equal access to justice in the court system.

11.18 am

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): I welcome this debate to discuss our proposal to close the Burton upon Trent county court, subject to consultation. This might have been my hon. Friend's first appearance in Westminster Hall, but it was certainly a good one, and he ably represented his constituents' best interests.

Allow me, Mr Williams, to set out the Government's position on our proposals to reform and rationalise the court estate. I will provide details of the reasoning behind including Burton upon Trent on the list of possible closures. I am sure that my hon. Friend will want to respond to the consultation that closes, as he will be aware, on 15 September. County courts across England and Wales have seen a real change in recent years because Her Majesty's Courts Service has dramatically increased access to online and telephone services. Currently, 70% of money claims, and the vast majority of possession actions, are issued centrally via electronic channels. People can pay fines online for driving infringements, or for not paying their TV licence on time. They can pay off debts or court fees online, using a wide variety of methods. We are working to improve the availability of information on the web and over the telephone, using dedicated information centres with comprehensive details of all civil and family cases, so that fewer people will need to travel to court to ask a question.

We cannot continue to deliver the same level of service in the same way and ignore the changing needs of society. New technologies, which we are all confident about and use in our everyday lives, have not been sufficiently adapted for use in the courts, although they are essential to streamline our processes and improve services for the public. That is why, in addition to consulting on the courts estate, I am inviting members of the public, MPs, and others with an interest, to give me their ideas for improving and modernising the courts service.

HMCS is also looking at how to speed up the experience for court users in the county court by changing how the back offices work. We are establishing a series of large, multi-purpose, multi-skilled administrative centres, which will centralise claims and process work from all county courts, thereby freeing up front-line services and staff to focus on supporting more complex cases that need judicial intervention. That is not a new innovation; there has been an incremental move towards more centralised administrative centres for 30 years. The concept has been successfully tested in local business centres, and we plan to centralise civil work into two key locations in Salford and Haywards Heath, where civil claims will be administered until judicial intervention is necessary. We will also continue to support high-volume users in our bulk centre in Northampton.

Wherever court users can make use of a non-judicial intervention for family and civil cases, we must provide them with all the support and information that they need to explore a variety of dispute resolution routes. A large number of cases go to court, but in practice many people find the full court experience to be inconvenient, intimidating and expensive, as well as slow and unpleasant. That is neither necessary nor in the best interests of either party in the case. Providing options for alternative dispute resolutions, such as mediation conducted over the telephone, is often a better, and less stressful, option for people involved in court cases.

Where judicial involvement is required, we are exploring whether in future physical attendance at court is always a necessity. Can the use of telephone hearings be extended? Does video conferencing technology open new possibilities? In that context, let me point out to my hon. Friend the Member for Staffordshire Moorlands (Karen Bradley) that fines are not dealt with by the county court. Fines are one area where we know that having a physical court does not result in higher payment rates. However, my hon. Friend's point was well made, and I confirm that we have invested in making it easier to pay fines using methods such as telephone, internet and so on, in order to improve the rate of payment.

Since Lord Woolf's civil justice reforms in 1996, the number of civil cases has declined by 20%. In order to meet future needs of customers in a faster, more efficient and affordable way, we are working closely with partners across the civil justice system, including Citizens Advice and the Legal Services Commission, to increase the provision of mediation and further improve court procedures. Furthermore, we will work closely with the judiciary to support work on procedural improvements.

Although cost is by no means my only concern, given the dire national economic situation, which my hon. Friend the Member for Burton acknowledged, we cannot forget the savings that would be delivered by this programme of closures. If all courts under consultation were to close, we would achieve savings in running costs of £15.3 million per year, as well as avoiding a backlog of £21.5 million in maintenance costs. A further assessment will be necessary on the level of savings that could be achieved and the potential value that could be released from the disposal of properties.

The closure of Burton county court would save around £106,000 in operating costs that would no longer have to be paid. Furthermore, we would not be liable for the additional investment of around £450,000 in maintenance backlog costs. I confirm to my hon. Friend that we are looking at the area as a whole, and we know that there is a high density of county courts in Staffordshire and West Mercia. As less work is dealt with in the courts, we will need fewer court buildings. We want to ensure that we have all the evidence available before making decisions about which courts provide us with the best service and should remain open. Therefore, I encourage all affected MPs to write in to the consultation with their views.

Andrew Griffiths: I thank the Minister for explaining much of the rationale behind his decision, but there will always be people who need to access the court system. Will the Minister explain what he believes would be a reasonable amount of travel time for accessing a county court? Has he done any work on the impact that increased travel time has on non-attendance at county court hearings?

Mr Djanogly: We have considered that point, and we felt that a travel time of 60 minutes would be appropriate. I will come on to that point if I have time. In his earlier remarks, my hon. Friend said that attendance at court is a stressful experience, and he spoke about situations of bankruptcy, family breakdown and divorce. As traumatic as those things are, most people will not frequently get divorced or be declared bankrupt, so the comparison

[Mr Djanogly]

that he made with the closure of a local post office—something used by many people on a daily basis—was not accurate.

Having talked to some MPs during the programme of consultation, I am aware of the prevailing view that the principles on which we are consulting are right. Understandably, however, few MPs wish their own local court to close. The passion about this issue that I have seen from all MPs—not least my hon. Friend—is admirable and important to our constituents. Nevertheless, if we accept that we have to reduce the courts estate considerably for the good of the public, we must also accept that sometimes the court in our own constituency may be the most strategic one to close.

Some of the local county courts in Staffordshire and West Mercia have larger and better facilities that are multi-functional and can take a large proportion of the work in the area. As far as possible, we want to try and focus work in those courts. It is our responsibility to think about what is best for the whole of the area, and we believe that the five larger courts at Hereford, Stafford, Stoke-on-Trent, Telford and Worcester would offer the area a strong, efficient and effective civil court system.

There are 10 members of staff at Burton county court, and a total of 43 staff in all the county courts proposed for closure in the Staffordshire and West Mercia area. Once the Lord Chancellor has made his final decisions about whether and which courts to close, we will work closely with the trade unions to look at the impacts on staff.

No member of the judiciary is based at Burton county court, although two district judges sit a total of 127 days per year, with a further 51 days of deputy district judge sittings per year. That is marginally less than the standard we have set, but we must consider the area as a whole. Across Staffordshire and West Mercia, county courts are considerably underused, with an average utilisation rate of 61%. We know which courts offer the best long-term opportunities to continue to deliver a good-quality service in larger multi-functional facilities.

Burton courthouse is under the freehold ownership of HMCS and does not offer facilities to the standards that one would expect of a county court. For a start, it would not be compliant with the Disability Discrimination Act 2005 unless significant maintenance work took place. Hearings and counter services at Burton county court will transfer to either Derby or Stafford county courts, depending on which is closer for the parties involved. Both Stafford and Derby county courts are purpose-built buildings with a high standard of accommodation and facilities for court users, judiciary and staff.

Andrew Griffiths: I would like to confirm what the Minister meant when he said that the decision about whether a court user has to go to Derby or Stafford county court would depend on the distance to be travelled. Is it correct to say that if Derby is closer, a person would not be forced to go to Stafford?

Mr Djanogly: The distance would be different for various constituents. One court may be more appropriate than another because of what it does. Not all courts do the same things so we cannot generalise in that way. I appreciate the issues about distance and travel raised by my hon. Friend. He made his points well, and he should submit them to the consultation.

11.30 am

Sitting suspended.

Hospital Services (North-East)

[JIM SHERIDAN *in the Chair*]

2.30 pm

Mr Iain Wright (Hartlepool) (Lab): It is a pleasure to speak under your chairmanship, Mr Sheridan. The debate is about hospital services in the north-east, but I shall focus on services in North Tees and Hartlepool, so I welcome the fact that I can see here my hon. Friends the Members for Stockton North (Alex Cunningham), for Easington (Grahame M. Morris) and for Sedgefield (Phil Wilson), as well as the hon. Member for Stockton South (James Wharton). I am also pleased to see a good north-eastern Member in the form of my hon. Friend the Member for Wansbeck (Ian Lavery). As I said, I shall focus on North Tees and Hartlepool, but I think that the hon. Member for Hexham (Guy Opperman) will wish to catch your eye, Mr Sheridan, and widen the debate so that it has a more regional perspective. I thank him for writing me a note, asking to participate in the debate.

I welcome the opportunity to discuss hospital services in North Tees and Hartlepool again. We had an important but too short debate on 5 July, initiated by my hon. Friend the Member for Stockton North, in which many hon. Members hoped to contribute so that they could express their concern about, and seek clarification on, the Conservative-Liberal Government's decision to cancel the £464-million new hospital that was to serve the populations of Hartlepool, Stockton, Easington and Sedgefield. I am indebted to Mr Speaker, who, after discussing the matter with me, granted this longer debate so that we could discuss more thoroughly the vital issue of health care and hospital services in my area. We also had a meeting with the Minister in the week following that debate.

The decision by the new Government—one of their first decisions on coming to office—to withdraw the £500-million investment from our area throws the vital issue of health care and hospital services back into complete confusion and mayhem. My constituents and those of my hon. Friend the Member for Stockton North, as well as those of my hon. Friends the Members for Sedgefield and for Easington, are worth much more than that and deserve much better.

It is especially important that there should be excellent health care in Hartlepool and the surrounding areas because the people whom I represent experience some of the worst health inequalities in the country. Much of that is due to our legacy as a former heavy manufacturing town, with industrial diseases and injuries. Much of it is due to the deindustrialisation of the 1980s and '90s, and the failures of Government at that time to put in place an alternative economic model. Economic inactivity and health inequality go hand in hand, and we have in the past 30 years suffered from high levels of deprivation. Much of the health inequality has to do with poor and inadequate investment in primary health care in Hartlepool in the last half-century. For example, we have had a much lower ratio of GPs per head of population than we should have had for much of the time that we have had an NHS. As a result, we have had to rely on hospitals, whereas other areas may have had suitably high levels of GPs and primary health facilities.

Frankly, much of the inequality has to do with people's lifestyles. One third of the population of Hartlepool smoke, as opposed to 24% across England. Some wards in Hartlepool have smoking rates of 40% to 50%. The rate for smoking in pregnancy is way above the national average. The proportion of women who breastfeed their baby in Hartlepool is half what it is across the country. Hartlepool is above the national average for the proportion of people who binge-drink, although I would like to point out that it is below the average for the Teesside area as a whole. Rates of early death from heart disease, strokes and cancer are significantly worse in Hartlepool than the national average, as is life expectancy. Although the gap in life expectancy between Hartlepool and the rest of the country has narrowed in the past decade, it remains the case that a man in Stranton ward has a life expectancy some 11 years shorter than that of a similar man in a more affluent area.

All that history—the lifestyles and the poor health outcomes—means that it is vital that we have the best possible health service for my constituents. Although progress has been made, it will take more sustained help and support, and reconfiguration of services, to narrow the gap still further. We have seen more investment in Hartlepool health in the past 10 years—actually, we have seen more investment in primary health facilities in the past five years than in the previous half-century—but the people of Hartlepool still feel battered and bruised when it comes to the future of hospital services.

Since the 1990s, there has been huge uncertainty about what shape the health services will take, and where they will be located. There has been review after review after review—the Tees services review, the Darzi review, the report from the independent reconfiguration panel—and now there is the decision to scrap the hospital at Wynyard. In that time, other areas have seen a reconfiguration of hospital services; in our neighbouring area south of the Tees, one of the best hospitals in Europe—the James Cook University hospital—has been built. Those of us north of the Tees deserve something similar.

While the uncertainty has continued for my area, the hard-working staff in our local NHS have not been provided with the clear vision and leadership needed. That has compromised their ability to provide world-class health care for our area. The uncertainty has led to a loss of morale and subsequent difficulties in recruitment and retention. The trade union Unison is to be commended in my area for proudly standing up for the people who work in hospitals, but the Government's decision, together with other reforms that they propose, is placing strain on local services and threatening jobs. We need certainty and continuing investment, and the Government, in one of their first acts in office, have provided neither.

It is fair to say that many people in my area might consider the Government's decision to scrap the proposed new hospital to be appropriate—indeed, welcome—and might think that with a hospital not being built in Wynyard, the University hospital of Hartlepool will stay open, and that services will migrate back to it. It surely defies common sense, as I have been told by some constituents, that a town such as Hartlepool, with a population of 90,000, cannot have a fully functioning district general hospital, with all the modern services that hospitals should provide. It is argued that the decision to scrap the proposed new hospital at Wynyard

[Mr Iain Wright]

presents an opportunity to provide that, and will mean that the University hospital of Hartlepool will have a secure future.

That is an understandable stance, based on affection for the great service that Hartlepool hospital has provided down the years. The big events of life have occurred in the hospital for many thousands of Hartlepudlians, including me. I am thinking of the births of my four children, the death of my nana and the saving of my son Benjamin's life twice—first when he contracted meningitis at the age of eight, and then at the age of 12, when he suffered a stroke. The dedication of people working in that hospital is second to none, and my family are very much testimony to that.

However, I fear that we will not see the return of hospital services to Hartlepool, and that we will have the worst of all possible worlds—hospital services will move away from Hartlepool and become more inaccessible to the people whom I serve, and we will not have a world-class facility in the borough of Hartlepool to replace them.

I fully accept and embrace the changes in health services. I welcome the technological advances that mean that whereas previously certain medical procedures required extensive stays in district general hospitals, those procedures can now be done safely and more cheaply in a local setting. Just a few years ago, high-quality internet use, for example, could be provided only by bulky and costly desktop computers; now, people can have internet access in the palm of their hand. In the same way, such advances are pushing more and more medical and surgical procedures into the community, into GPs' surgeries and even into people's homes. I welcome that.

We are certainly seeing that trend in Hartlepool. The Momentum programme is reconfiguring more and more services that were once the preserve of the hospital, putting them into the local clinic, closer to people. I met a man in Hartlepool recently who had had his toes amputated. Just a few years ago, that would have required an operation in a hospital and a lengthy stay there for recovery and recuperation. The man I met had had the procedure carried out in the operating theatre of his GP clinic in the Headland surgery, and he was home in a matter of hours. We shall see much more of that.

The newly opened One Life Hartlepool centre, built as part of the Momentum programme, is equipped to carry out minor skeletal surgery and will do orthodontic work that was previously the preserve of hospitals. GP surgeries increasingly take blood samples on-site rather than requiring the patient to attend hospital. Again, that is welcome.

However, we also have to admit that increases in medical specialisation, coupled with a wider and more miraculous range of things that can now be achieved through science and surgery, mean that many surgical procedures are now reserved for doctors and nurses with very specialised skills, as opposed to those in general medicine and surgery.

In preparing for this debate, I have been in contact with the Royal College of Surgeons of England, and I am grateful for its help. As part of its best clinical practice, for acute general hospitals that provide the full range of facilities, specialist staff and expertise for elective and emergency medical and surgical care, the college recommends a preferred catchment population size of between 450,000 and 500,000 people. However, the college estimates that hospitals of that size account for fewer than 10% of acute hospitals in England, and states that there is unlikely to be a significant shift to that size of hospital in the short to medium term. As it is, the majority of acute hospitals have, and are likely to continue to have, catchment populations of about 300,000. That is significantly more than the population of my constituency.

It is essential that MPs and all representatives listen to the professional advice of eminent surgeons. I do not intend to play fast and loose with patient safety and clinical excellence. As a politician, I realise that I do not know better than doctors, and I want the best possible health care for my constituents. I will fight to the last to achieve the best possible services for Hartlepool. They have to be safe and medically advisable, but if something is seen to be clinically essential by surgeons, it is right that my hon. Friends and I should listen. It is also right that Ministers should listen to eminent surgical and clinical advice, and I suggest that the cancellation of the proposed new hospital means that they did not. I hope that the Minister will do so today.

I believe that Lord Darzi's proposals of 2005, under which Hartlepool hospital was to become a centre of excellence for women's and children's services, and the University hospital of North Tees was to become a centre of excellence for emergency surgery, were workable and feasible. Alas, it was not to be, as other parts of Teesside felt that they could not live with that. Although I thought that the subsequent independent reconfiguration panel review was unnecessary, I respect its decision, the quality of its evidence and its professionalism. I cannot argue with the overpowering weight of clinical advice on the matter.

In the IRP report, paragraph 4.8.5, entitled "Clinical views—the need for change", stated:

> "There was a common view across all staff that no change is not an option. Staff are keen to work with the Trust management and to embrace clinically-driven change"—

"clinically-driven change" is a hugely important phrase—

> "that secures the best outcome for patients, staff and the Trust…There was widespread support for a new modern hospital, north of the Tees, concentrating on providing high quality hospital services that cannot be more appropriately provided in local communities".

The IRP also stated:

> "This is not simply a matter of recruiting additional staff. Specialist skills can only be acquired and maintained with sufficient 'throughput' of cases. Since safety standards can only be expected to rise in the future, the current model of service provision is unsustainable."

In the concluding remarks in the report, the chair of the IRP—a GP and the chair of an acute NHS trust in Nottingham—stated in his personal recollections that:

> "The clinicians were virtually unanimous in their desire to work on one site. This was not based on their personal convenience but on clinical evidence and a belief that a real and sustainable improvement in patient care would take place."

I want the best possible services for Hartlepool. The ideal situation if I lived in utopia would be a hospital in the very centre of Hartlepool that provided the widest possible range of specialisms. In the real world, however, I realise that the desire to see a hospital serving the

people of Hartlepool, Stockton, Easington and Sedgefield was driven by clinicians, based on clinical evidence and fuelled by a belief that patient outcomes would improve and health inequalities diminish as a result.

To be fair, I think that the present Government recognise that, too. In a recent answer to my written parliamentary question on whether he would implement the recommendations of the Darzi review, the Minister replied:

"The recommendations of the Darzi review of acute health services north of the River Tees were superseded by the advice provided by the Independent Reconfiguration Panel to the then Secretary of State for Health in December 2006. This advice formed the basis of the 'Momentum: Pathways to Healthcare programme' which was developed by the local national health service to provide a new health care system for the people of Stockton, Hartlepool, Easington and Sedgefield."—[*Official Report*, 28 June 2010; Vol. 512, c. 407W.]

From that response, it seems that the Minister accepts that clinical pressures were driving and pushing this matter.

In that context, will the Minister confirm that the proposed new hospital entirely meets the criteria set out in a letter of 20 May from the NHS chief executive to Monitor—criteria that are about ensuring that all service changes are led by clinicians and patients, not driven from the top down? Taking that point further, will the Minister explain how the Secretary of State reconciles his policy of clinical-led decisions with the pledge made during the general election campaign that Hartlepool hospital would not close if a Conservative Government were elected and a Tory MP returned for the seat of Hartlepool? What clinical evidence was there to back that pledge? Is that not an example of top-down meddling by politicians, regardless of clinical evidence? Is it now Government policy for the configuration of health services to be contingent on voting behaviour, rather than clinical decisions?

Will the Minister provide further clarity about his written answer to me, to which I referred a moment ago, on whether Darzi should be implemented? If he believes that Hartlepool hospital should remain open, will he provide additional support and resources to ensure that it can remain open, and that services will return to it? However, this is not just about money; it is about the way in which services are provided and how they are linked.

Since the Adjournment debate of 5 July, and our subsequent meeting with the Minister, the NHS White Paper has been published. It rightly pledges to put patients at the heart of services and decisions regarding services. I welcome that. The phrase used in the White Paper is

"nothing about me without me".

The White Paper also asks for an enhanced local voice; again, that is welcome. However, I would be interested to hear the Minister's view on what should happen if there is a stark difference between what the professionals want and what the public want—if surgeons and clinical teams say that specialism requires a concentration of services on a central site, but local communities say, as they often do, that they like the status quo and that change is unwelcome? How does the Minister envisage such tension being resolved, given that such views are often polar opposites?

The Minister may say that the independent NHS board will be important when it comes to resolving tensions or contradictions, and that its decisions will be based on clinical views and free from political interference. That would be welcome, but does that mean that the NHS commissioning board will have responsibility for resource allocation? The White Paper certainly suggests so, saying that the board will

"allocate and account for NHS resources."

In that context, I think that "resources" means revenue resources, but does it also mean capital resources? What would happen if the NHS commissioning board recommended that, for hospital services north of the Tees, it was clinically essential that the recommendations of the independent reconfiguration panel were implemented? Would the board's decisions overrule ministerial priorities?

The Minister may respond along the lines that the independent NHS board will take decisions out of the hands of politicians, but the White Paper contradicts that. It states on page 33:

"The Secretary of State will have a statutory role as arbiter of last resort in disputes that arise between NHS commissioners and local authorities, for example in relation to major service changes."

In other words, the reconfiguration of hospital services, which can cause bitterness and fear in many communities, as it has in mine, can still be decided by the Secretary of State. That does not take politics out of changes to hospital services at all.

I ask the Minister to address a number of other points. Does he accept that the manner in which the project was assessed within Whitehall—in both the Department of Health and the Treasury—under the Labour Government was entirely in accordance with appropriate procedures? Does he accept that the project was appraised by officials in an entirely appropriate and rigorous manner, and that that was not done a couple of weeks before the general election, but had been planned and prepared for several years? Hartlepool borough council has written to the Secretary of State on the matter. The letter was signed by the chairman of the council and the leaders of the Labour, Conservative and Liberal Democrat groups; they have yet to receive a response, so I would be grateful if the Minister could expand on what he said in the earlier debate.

Will the Minister publish the revised criteria and assessment considerations on which the project failed, so that we can see what is to be done to address the matter? Why are Hartlepool and North Tees rejected, when Liverpool and Epsom are not?

The Minister of State, Department of Health (Mr Simon Burns): I might be able to help the hon. Gentleman on that point, so that he need not get confused. As he is a diligent Member, I need only remind him that in our debate on 5 July—in column 150 in *Hansard*—I went into great detail in answering that question. I am afraid that the situation has not changed since then. That was the accurate answer then, and it is the accurate answer today.

Mr Wright: I thank the Minister for that clarification. Some of my hon. Friends might probe him a bit further on that point, because we are unclear about a number of aspects. Let me return to the point about the appropriate and rigorous procedure that took place in Whitehall.

[Mr Iain Wright]

My recollection might be incorrect, so the Minister may have to provide further clarification. Will he confirm whether a letter of direction, which would be needed if the permanent secretary was unhappy with the decision taken by the Secretary of State, was needed for the proposed new hospital? The decision has left Hartlepool and the surrounding communities high and dry. There will be no new world-class hospital, the plans for which were based on clinical decisions, and no money to upgrade existing facilities. I fear that we will soon have one hospital serving the people of my constituency, and that hospital will be in North Tees. That is completely unsuitable for the task, and for the people of Hartlepool, who will find it appallingly hard to travel to.

We have no clear direction from the Government on the future of hospital services; there is only a vague sense of having been told, "You are on your own; you can do what you like." That is part of a worrying pattern emerging in the north-east. First, there was the future jobs fund, then the working neighbourhoods fund, then the decision on the hospital, and then the scrapping of Building Schools for the Future. The people of Hartlepool and the surrounding areas are worth more than that and deserve better. I hope that the Minister will acknowledge that this afternoon and clarify how we will provide help, support and additional resources to improve hospital services in North Tees and Hartlepool.

2.51 pm

Guy Opperman (Hexham) (Con): I thank the hon. Member for Hartlepool (Mr Wright) for allowing me to speak in this debate. I accept and acknowledge that fundamentally he secured the debate to raise issues in relation to the role of hospitals in Hartlepool. However, as it is a debate on hospital services in the north-east and as I am the Member of Parliament for the largest constituency in the north-east and have responsibility for many rural areas that cover well over 1,000 square miles, I want to lay down a few markers in relation to the hospital services in my area.

The Government are engaged in a widespread review of everything from care to hospital facilities, but rural areas—I know that I speak for other Members who represent rural areas—have to be treated and reviewed in a slightly different way. In my constituency, I have a wonderful hospital, which was opened as a general hospital by the former Prime Minister Tony Blair, and which has been consistently downgraded over the past few years. That is a source of great upset to the people of Hexham. The hon. Member for Wansbeck (Ian Lavery) and others will know of the issues relating to the proposed Cramlington hospital, which is still in the pipeline. I have been told by health officials in the local primary care trust and the strategic health authority that there is no difficulty with the hospital going ahead because the funding is assured. Although health has not been as affected as other areas, will the Minister none the less reassure me that the hospital has survived the funding reviews?

In dealing with rural services, let me turn to the issue of the rebuilding of Haltwhistle hospital. Again, it takes the best part of an hour and a half to get there from Newcastle and the various hospitals there. There have been significant difficulties relating to the hospital, not least the fact that people have been waiting for the hospital to be rebuilt for well over 10 years and that has not yet happened. I sincerely hope that those matters will be reviewed. Will the Minister write to me over the next month with some assurances about the way forward?

I have two final points to make. I know that others wish to speak in this debate. The hon. Member for Wansbeck knows of my concerns because they have come up in discussions between ourselves. The issue of care and how it is provided in Northumberland and, I suspect, throughout the north-east has been a nightmare of bureaucracy and difficulty. Tremendous attention to detail is required to improve the situation. Regrettably, at present, care is provided by a multitude of providers, and the budgets are split and differentiated between individual providers and individual utilisers. I accept that a commission has been set up to review care, but it must consider how provision is made, particularly in rural areas such as ours. I blame no particular Government for the problem because it has developed over a period of time, but this is an area that clearly needs review.

Let me finish on an issue that relates to the way in which we review the provision of health care. We need to ensure that the healthy choice is the easy choice. My constituent, Dr Steven Ford, who ran against me as an independent candidate in the recent general election, said that we must be living in a very odd world when, in the middle of an obesity epidemic, the European Union cuts the price of sugar by more than one third. Therefore, we are trying to address the problem of obesity at the same time as we are cutting the sugar price. It seems to me that we would benefit greatly if we addressed that issue in future.

I am grateful for having the opportunity to speak in this debate. I do not need any specific replies from the Minister today, but I hope that he will write to me in due course about the points that I have raised.

2.56 pm

Grahame M. Morris (Easington) (Lab): I am pleased to serve under your chairmanship, Mr Sheridan, in this important debate. I congratulate my hon. Friend the Member for Hartlepool (Mr Wright) on securing this debate on hospital services in the north-east. In my remarks, I intend to focus on the future of hospital services for my constituents in the south of Easington who, until June of this year, were looking forward to the benefits of a new acute hospital at Wynyard, which would have served local people in five parliamentary constituencies: Stockton North, Stockton South, Hartlepool, Easington and Sedgefield. This state-of-the-art hospital costing £464 million was granted approval in March following many years of preparation and consultation, with health professionals and clinicians working on the ground. The original concept for the new hospital was set out by Professor Sir Ara Darzi, and proposals by an independent reconfiguration panel were clear in recommending a new hospital to replace the existing provision spread across two sites, 14 miles apart.

It is evident that the North Tees and Hartlepool NHS Foundation Trust will struggle to continue to provide high-quality health care as we move forward into the future with the existing, ageing configuration. I commend the work of health care professionals and ancillary

support staff at the University hospital of North Tees and the University hospital of Hartlepool, without whose dedication and commitment our health service could not function.

North Tees and Hartlepool NHS Foundation Trust has worked hard to meet key targets—Labour's targets—to ensure a high quality and universal standard of health care for all the people in its catchment area. More than 90% of outpatients and 85% of inpatients wait no more than 18 weeks from being referred by their GP to receiving their first treatment in hospital, which is no mean achievement. The trust has also consistently managed to see, treat, admit or discharge 98% of patients within four hours of arriving in accident and emergency. Like services across England and Wales, the North Tees and Hartlepool NHS Foundation Trust guarantees to see patients within two weeks if a GP thinks that they may have cancer. That final target, the cancer guarantee, has been kept by the Minister, although my right hon. Friend the Member for Leigh (Andy Burnham) had to work hard for that victory. If the proposed hospital at Wynyard does not go ahead and our services must continue to be delivered from inadequate and increasingly outdated hospital buildings, I have a real concern that patients will suffer. Within the context of the proposed new hospital, I want to touch briefly on NHS targets. The Government's principal argument against targets has been eroded since they accepted the two-week cancer guarantee, so why can they not admit that targets are important to ensure a universal quality of health care?

Hospital services in the north-east have offered high-quality standardised care during the past decade. As I have mentioned, my concern is that, if North Tees and Hartlepool NHS Foundation Trust is forced to deliver care to patients from two existing and increasingly outdated hospital buildings, the removal of targets that would have guaranteed a certain level of patient care will put patient care at risk. It is possible to foresee a scenario whereby, in comparison with those areas where the Government have allowed the construction of new hospital buildings to go ahead, the services provided in North Tees and Hartlepool—in much more challenging circumstances—could fall behind the standard of care offered by the new hospitals elsewhere in the country.

I remember that the Minister had some difficulty over the figures that were quoted when he responded to my hon. Friend the Member for Stockton North (Alex Cunningham) on 5 July, as has already been mentioned; perhaps there was some confusion over the figures. I would appreciate it if the Minister could clarify this point, because the record was corrected and I am taking these comments from *Hansard*, concerning the evaluation of the relative costs of providing health care with and without the new hospital. The corrected version of *Hansard* reads as follows:

"Over the appraisal period of 35 years"—

that is, the life span of the hospital—

"the total net present cost—that is, the whole-life cost—of building, maintaining and operating the new facility was £5.033 billion, but the cost of repairing"—

Mr Burns: I want to reassure the hon. Gentleman, with regard to the changes made by *Hansard*, that there was no confusion on my behalf at all. The *Hansard* scribe printed it wrongly and I sought for it to be corrected. That is what happened—no confusion on my part.

Grahame M. Morris: I want to continue on this point, because the Minister is reinforcing my point in relation to the costs. He said on 5 July that the cost of "operating the new facility" was £5.035 billion over the 35-year period that is the hospital's life span. He continued:

"but the cost of repairing defects, maintaining, operating and providing services from the two existing buildings was £5.24 billion."—[*Official Report*, 5 July 2010; Vol. 513, c. 150.]

Therefore, although it was not immediately clear, is that incorrect?

Mr Burns: I am grateful to the hon. Gentleman for giving way again. Let me just clarify it for him. The figures were £5,000,033,000 and £5,000,024,000, not £5,000,240,000.

Grahame M. Morris: Okay, thanks. The cost difference is very marginal, when we factor in things such as NHS inflation and so on. The Minister has already given some clarification, but my point is that by not continuing with the proposed new hospital the cost of delivering health care may in fact—

Ian Mearns (Gateshead) (Lab): I have to say that the figures that the Minister has just given in his intervention on my hon. Friend seem to make the Government's position even worse than I thought it was. What we are actually talking about is a margin of difference of £11,000—based on the figures that he has just given us here in Westminster Hall—across the 35-year operating programme. Now, I am not sure if that is actually correct. I wonder if it is a bit like the lists given out by the Secretary of State for Education; the figures and the numbers keep altering on us. But based on the figures that the Minister has just given us, we are talking about £11,000, and that is the cost of not having a brand spanking new state-of-the-art hospital to serve five constituencies: my own constituency; the constituencies of my hon. Friends the Members for Stockton North, for Hartlepool and for Sedgefield (Phil Wilson), and the constituency of the hon. Member for Stockton South (James Wharton).

Grahame M. Morris: There seems to be some confusion here with the figures. However, in my mind, perhaps in the minds of other Labour Members and certainly in the minds of the good people of Easington, it only shows what a bad decision it was. I do not believe that it is being made for the stated financial reasons, but instead seems to form part of some type of idelologicallybased course of action taken by the coalition Government.

It is clear now that the saving of £464 million—the figure that was widely quoted to the media at the time of the hospital's cancellation—is completely misleading. At some point, I hope that we will also get to the bottom of the true costs to the taxpayer of cancelling and pulling the plug on this new hospital development, which, as my hon. Friend the Member for Hartlepool has indicated, has been in the planning since 2005.

On 2 May 2010, in an interview with Andrew Marr, the right hon. Member for Witney (Mr Cameron) talked passionately about how a responsible society should protect the vulnerable. This is what he said:

"The test of a good society is you look after the elderly, the frail, the vulnerable, the poorest in our society. And that test is even more important in difficult times, when difficult decisions have to be taken, than it is in better times."

[Grahame M. Morris]

I am sure that many of my colleagues knew at the time, as I did, that that statement lacked substance.

Easington is one of the most deprived areas in the United Kingdom. Health inequalities still play a large role in Easington; there is shorter life expectancy and poorer quality of life. Life expectancy in Easington is a full two years lower than the national average. The proposed new hospital was part of a clinically led strategic reorganisation of health provision for one of the poorest areas in Britain, which would have gone some way to tackling some of the worst health outcomes in the country.

The latest figures that I have been able to access are the 2007 statistics on standardised mortality rates per 100,000 population. They show clearly that death from illness that is amenable to health care—that is, deaths that would have been preventable with health interventions—accounted for 256 deaths per 100,000 of the population in the Easington local authority area, compared to an average of only 195 across the rest of England and Wales. For all causes, the figure for Easington is 713, compared to 582 for England and Wales. For coronary heart disease, the figure is 112 per 100,000 in Easington compared to 90 per 100,000 across the rest of England and Wales. For cancer, the figure for Easington is 219 per 100,000 compared to 175 nationally.

Mr Kevan Jones (North Durham) (Lab): Does my hon. Friend agree that one of the success stories in his constituency has been the local primary care trust's anti-smoking policy—the area has seen some of the largest drops in smoking anywhere in the country? Does he also agree that the fact that that policy will be abolished too will add to the health inequalities in his constituency?

Grahame M. Morris: That is a very good point and the development of community health infrastructure has been integral to the proposal for the new hospital. It is key to improving health and tackling health inequalities.

I have some sympathy with the Minister, as it seems that the proposed hospital suffered at the hands of the Chief Secretary to the Treasury as he searched to save around £2 billion in June. However, regardless of the changing economic circumstances that saw Britain's budget deficit improve by £10.4 billion from the original pre-election forecasts, I do not believe that it is too late for the Minister to give the proposed new hospital a second chance, following a reconsideration of the evidence.

James Wharton (Stockton South) (Con): Will the hon. Gentleman give way?

Grahame M. Morris: If you do not mind, Mr Sheridan, I will not give way to the hon. Gentleman. I know that time is short, but I am almost finished and I think that the hon. Gentleman will have an opportunity later to speak. I have almost completed my contribution.

As it stands, the future of health provision in North Tees and Hartlepool is being put at serious risk. The cancellation of the hospital at Wynyard can only ever be viewed as a delay—the need for it still exists. Whether it is a delay of five years, 10 years or longer, the people of Stockton North, Stockton South, Hartlepool, Easington and Sedgefield need a new hospital. I invite the Minister to think in the long term and not to abandon a well thought-out project that would improve health care for people who have suffered a legacy of some of the worst health outcomes in Britain.

3.9 pm

Phil Wilson (Sedgefield) (Lab): Thank you for giving me the opportunity to speak in the debate, Mr Sheridan. I want to make a business case for the Wynyard hospital based on its effect on the local economy, because the Government's decision is short-sighted. The new hospital was to be sited at Wynyard park—a 700-acre business park owned by Wynyard Park Ltd that has created more than 1,000 jobs in the past five years. Fifty-five companies have moved on to the site, and the hospital would have been a catalyst for further private sector investment and jobs. The Government go on all the time about the need to rebalance the north-east's economy, and the Opposition agree with them. One way to do that and to help generate private sector investment would be to invest in infrastructure and public sector hospitals, such as the one that the Government have cancelled.

The cancellation of the hospital came on the back of the announcement about housing benefit. The former Chancellor said that we would take £250 million out of housing benefit through reforms, but the present Government want to take out £1.8 billion, which would greatly affect areas of County Durham. In addition, just under 100 schemes have been cancelled under Building Schools for the Future, which is a problem not just for education, but for construction jobs in the region. On top of that, the regional development agency is to be abolished. It has played a part in work on the Wynyard site and the foundation hospital, and it has tried to attract investment into the area.

James Wharton: I understand the hon. Gentleman's terminology when he says that the RDA will be abolished, but is it not rather the case that it will be replaced by more localised local enterprise partnerships, which will deliver better for local people in communities across the north-east?

Phil Wilson: Actually, it is being abolished—that is what is happening.

I want to make two points about the RDA. First, it invested £2 million last year in attracting inward investment. On the basis of that money, it attracted £720 million of inward investment into the north-east—82% of inward investment into the region comes through the RDA, so if it ain't broke, don't fix it. Secondly, in preparation for the hospital development, the RDA organised meetings between the foundation hospital and overseas firms to see whether those firms would come on to the site.

Mr Kevan Jones: Does my hon. Friend agree that the person who had the vision for the Wynyard site was John Hall? He saw the benefits of working with the RDA and others to develop it, and the hon. Member for Stockton South (James Wharton) was a big supporter of his during the election.

Phil Wilson: That is absolutely right. I heard John Hall speak last Friday, and he also has a lot to say about the abolition of the RDA.

Mr Iain Wright: My hon. Friend is making a convincing economic case for the hospital. Does he agree that the £464 million in investment that was to be provided

could also provide about 550 apprenticeship opportunities in the construction industry and elsewhere? The Government say that they want private sector-led growth and recovery, and I agree with that approach, but scrapping the hospital and cancelling Building Schools for the Future will mean that private sector construction industry jobs are not maintained. Is that not a devastating blow for the north-east?

Phil Wilson: That is absolutely right. Over the past 13 years, the number of apprenticeships in the region has gone up astronomically. In 1997, in my constituency, there were fewer than 30 apprenticeships, but there are more than 700 today. Obviously, anything that curtails the growth of apprenticeships in the future should be frowned on.

As far as other jobs are concerned, the hospital would be a catalyst for inward investment and private sector investment. Wynyard Park Ltd worked closely with the hospital, local universities and further education colleges because it realised that high-value medical and other research jobs would come to the area. The company estimated that 12,500 jobs would be created on top of the 3,000 jobs that the hospital would create. There would be 12,500 private sector jobs in the area on the back of the hospital development—just think of the Government's income tax and national insurance take and all the other benefits that they would pick up on the basis of that growth in the local economy. Public sector investment would kick-start growth in the private sector.

The hospital would also have become an anchor tenant—a tenant that attracted a lot of other investment to Wynyard. In addition, it would have brought greater investment in infrastructure: the roads and transport networks would have improved, which would have brought more businesses to the park. This is not just about the hospital, as great as that would be. My family and I have used the North Tees and Hartlepool hospitals, and they are great hospitals, but it is time to replace them and to have a new hospital. The credible case put by the new hospital's designers was that the development would be not only a hospital, but a catalyst for growth in the private sector economy in the south Durham and Tees valley area. That case has been completely ignored.

I really get annoyed when people try to say that the project was worked out on the back of a fag packet a few weeks before the general election. I have been attending meetings on the issue since I was elected in 2007, and meetings were going on before then. We need the development to happen.

The Government's proposals prove what the Prime Minister said during the election campaign when he pointed out that the north-east would feel the brunt of the cuts. He was right to say that we rely too much on public sector jobs, so the Government should give us the opportunity to change that, but that opportunity was taken away from us when the hospital programme was cancelled.

Guy Opperman: The hon. Gentleman asserts that the area should be given the opportunity to address the lack of private sector jobs, but that that would not be done by spending more public sector money. We cannot address the deficit on every single occasion by creating private sector jobs through public sector spending, which is surely the basis of the hon. Gentleman's hospital argument.

Phil Wilson: We are not saying that we should do that at every opportunity, but when we spend public money, we should take the opportunity to ensure that it pump-primes the local economy. That is what the Wynyard scheme was bound to do. Perhaps the hon. Gentleman does not think that the public sector is of any value, but Opposition Members do.

Guy Opperman: Will the hon. Gentleman give way?

Phil Wilson: No, several other Members want to get in on the debate.

Figures have been bandied about, such as the £5 billion and the £11,000 difference, which was actually £11 million—the Minister corrected that error, and I noticed it, too, and went up to correct it. That £11 million, over 35 years, means the difference between a new hospital and a hospital that is falling down. Surely we could have found that money somewhere to help to maintain the hospital.

I want to end with a question to the Minister. Three or four weeks ago, we brought down the foundation trust's chief executive and the chair for a meeting, and I was pleased that the Minister could meet us. I took away from that meeting the view that the Department would look again at the development if the trust could come up with a credible scheme or initiative to get money from the private sector. If all the figures stacked up, would the Department underwrite such a proposal? We are talking about a foundation hospital. Are we saying that foundation hospitals will be around for ever? Things might change—Governments might change, policy might change—but the hospital must still be funded. Are the Government prepared to underwrite any financial arrangements with the banks and the private sector?

On that point, I will sit down and listen to what other Members have to say. The proposed hospital is a missed opportunity for growth in not only the public sector but the private sector in the region.

3.19 pm

Alex Cunningham (Stockton North) (Lab): I am grateful to have another opportunity to discuss the need for a 21st century hospital to meet the needs of my constituents and those throughout the north-east; however, I shall be briefer than I was the last time I spoke on the matter.

It was good to hear my hon. Friends talk about specific issues affecting the health of people in their constituencies, and to hear my hon. Friend the Member for Sedgefield (Phil Wilson) outline the benefits that the hospital could bring over and above health. I want to start with an outline of the health picture in the borough of Stockton-on-Tees. Things have improved in recent years, but much still needs to be done. According to the NHS health profile for 2010, which has just dropped through my letter box, in Stockton-on-Tees life expectancy for men living in the most deprived areas is still nearly 12 years less than for men living in the least deprived areas. In relation to early deaths from heart disease and stroke, survival rates have steadily improved over the years: from 160 deaths per 100,000 people in 1998 to about 80 per 100,000 people in 2007. That is half the number of deaths and there is much credit due to our hospitals' care and to the local PCTs and health

[Alex Cunningham]

programmes. However, we are still well behind the England average in our progress in relation to early deaths from heart disease, stroke and cancer.

What do the decisions made by the coalition Government mean for the north-east and people's health? A new hospital has been scrapped. That is a huge blow, and it is still not clear why our hospital was chosen, while others have been given the go-ahead. We have had years of planning, as other hon. Members described, and that was discussed in detail in my Adjournment debate on 5 July. I accept that the decision has now been made, but it is not clear what will happen. There is also uncertainty for patients in the scrapping of Labour's promises. The coalition has scrapped the 18-week waiting list target and the 48-hour GP access target and downgraded the four-hour accident and emergency waiting time target.

There is also great uncertainty for people who work in the NHS locally, who will commission services in the future. I met Dr John Canning, a member of the Cleveland local medical committee, and discussed, among other things, the re-organisation of the NHS and in particular GP commissioning. We await detailed plans, but I am dismayed that the Government, who in opposition promised "no more pointless reorganisations" are presiding over the biggest structural overhaul of the NHS in 60 years. The NHS needs stability; it does not need to be forced to deal with a huge and unnecessary politically motivated structural upheaval at a time of significant financial pressure on public services.

The new GP commissioners will be responsible for ensuring that their patients get the best possible health care in the best possible facilities. I just wonder how they will make those decisions. Perhaps they will send patients many miles to a new hospital with all the services required by the patient close together and under one roof. Alternatively, will they utilise the services at their local hospital, where the care might be very good but the facilities could be less than first class? Some patients make a positive choice to travel to neighbouring hospitals, which have the most modern and up-to-date facilities, and could be expected increasingly to shun local services because they believe, rightly or wrongly, that in that way they will get better treatment.

The strategy outlined by the foundation trust remains the right one. When Stockton-on-Tees borough council met, every member in the chamber voted to ask the Minister to review the decision; that included the Conservative council leader. So can we look forward to a new hospital? The answer could still be yes if it is the true and honest will of the Government. Detailed work on developing a private finance initiative to meet the costs of the new hospital is well under way, but there remains great uncertainty about whether there will be Government support. If the foundation trust completes the work and satisfies Monitor, its financial regulator, that it has a robust project that will work, will the Department of Health approve it and ensure that the people of my constituency and the surrounding ones get the hospital they need and deserve?

3.24 pm

Diana R. Johnson (Kingston upon Hull North) (Lab): I congratulate my hon. Friend the Member for Hartlepool (Mr Wright) on securing the debate this afternoon. He is a worthy champion of his constituency and the region, with respect to a range of matters including health, education and economic regeneration. He spoke passionately about the need to deal with the health inequalities that blight this country, and the problems in his constituency in particular, as well as the need for excellence in health care in the north-east, including the new hospital that is at the heart of the debate.

Like all hon. Members who have spoken, I pay tribute to the staff of the NHS, whose work for and commitment to the people of the north-east and the rest of the country is excellent. It was striking to hear the personal experience that my hon. Friend the Member for Hartlepool had in his local hospital, and what excellent care he and his family received. I pay tribute to all hon. Members who are present today, including my hon. Friends the Members for Stockton North (Alex Cunningham), for Easington (Grahame M. Morris), for Wansbeck (Ian Lavery), for Sedgefield (Phil Wilson), for North Tyneside (Mrs Glindon), and for North Durham (Mr Jones). I know that they all feel strongly and passionately about the issue.

I want to comment on the remarks of my hon. Friend the Member for Easington. He put patient care and safety, which is what the debate is really about, at the centre of his remarks. He set out his concerns about what will happen to patients who are left with the two hospitals, where they will now be treated. Will the abolition of targets affect care and safety? That is an important issue, which I hope the Minister will deal with. My hon. Friend also raised the important issue of finances and how they stack up. I would like to know in particular whether the difference in cost between building a new hospital and repairing and maintaining the two is £11,000 or £11 million. I am sure that the Minister will clarify that.

Mr Burns: If it will help the shadow Minister I shall clarify the point yet again. The reason the question ever came into the public domain was that on the morning of the previous debate the right hon. Member for Leigh (Andy Burnham) incorrectly put out a press statement saying that the building of a new hospital would be cheaper than the maintenance and upkeep of the two existing hospitals, over a 35-year period. The figures, which *Hansard* originally printed wrongly—hence the correction—showed a difference of £11 million. It was cheaper by £11 million to keep the two existing hospitals. The point was merely to show that the right hon. Gentleman was factually incorrect.

Diana R. Johnson: I am grateful to the Minister for correcting what he said earlier, when he talked about the figure of £11,000. We understand that the figure is £11 million. I suggest that in the great scheme of things, if the difference in cost between maintaining and repairing two hospitals and building a state-of-the-art new one is £11 million, Labour Members might think that it is £11 million that should be spent.

Mr Iain Wright: I just want to make two points. First, I am sure that it was an oversight, but I point out that my hon. Friend the Member for Gateshead (Ian Mearns) is here. In his short time in the House he has been a fantastic representative of that fair area. On the point about net present values and appraisals of the hospital, my hon. Friend may know more than I do about it,

but—whatever the talk of £11,000 or £11 million—are the wider savings to the taxpayer from better health outcomes and from ensuring that people do not rely on hospitals for protracted periods also part of the appraisal system? Are they taken into account, or is it a matter of the narrow costs of maintaining existing or new sites?

Diana R. Johnson: I apologise to my hon. Friend the Member for Gateshead for not mentioning him; I know that he takes a particular interest in the issue.

I hope that the Minister will explain the rationale for the decision that was made about the hospital, and whether the cost-benefit analysis included the savings that would come about from a healthier population with better access to health services. I am sure that he will explain it. My hon. Friend the Member for Easington also mentioned health inequalities. It is important to ensure that patients and communities have access to high-quality in-patient facilities when they need them.

My hon. Friend the Member for Sedgefield argued compellingly on business grounds that the hospital could help lead the regeneration of the area. He described the hospital as an anchor tenant that could attract up to 12,500 private sector jobs, a telling point for an area of the country that wants to attract private sector business and stand on its own two feet. He made a compelling case. My hon. Friend also said how good the care that he and his family had received from the local NHS was.

Ian Mearns: It is important that the Minister has now clarified that the figure is not £11,000, as he stated earlier, but £11 million. I am sorry, but the difference between the figures that he gave was in fact £11,000, and I hope that the record will show that. That said, we now know that the figure is £11 million over 35 years, or £314,000 a year, the lack of which will deprive the people in those five constituencies of a brand spanking new hospital facility that could add significant value over that period to detract from the additional cost.

Diana R. Johnson: My hon. Friend makes an important point about the cost over 35 years.

My hon. Friend the Member for Stockton North, who I understand is a former non-executive director of the North Tees and Hartlepool NHS Foundation Trust, spoke clearly about the need for a new hospital. I know that he also tabled early-day motion 273, which attracted a great deal of support, to request a review of the coalition decision about the hospital. He, too, made an important case about health inequalities and why the hospital is needed. He also pointed out that structural upheaval in the NHS at a time when we are facing such financial problems is a recipe for chaos. What is the future for the people represented by him and our hon. Friends? Again, I look to the Minister to explain the coalition Government's thinking about what will happen to the needs of communities in the north-east.

I do not wish to rehearse the history of this £464 million hospital project—my right hon. Friend the former Secretary of State made it clear that it was a top priority for the NHS, and agreed in March this year that it should go ahead—but it had been in planning for a long time. It was not just signed off close to a general election. As we have heard, the coalition Government decided to cancel the hospital project within the first few weeks of taking up their position in Government. It is clear that the Treasury and other Departments reviewed every significant spending decision made between 1 January and the general election on 6 May. The proposal for the new hospital scheme, which received Government approval only in March, was considered properly during that review, but there are questions about why that particular hospital project was cancelled and others were allowed to proceed when my right hon. Friend had made it clear that the hospital was a top priority for the NHS.

Mr Burns: As I said to the hon. Member for Hartlepool, if the hon. Lady studies carefully our debate of 5 July, as I am sure she has—I do not usually recommend that people read my speeches—she will see that column 150 gives in detail the answer to that question.

Diana R. Johnson: The Minister will be pleased to know that I took great pleasure in reading his response to that debate, but I am still not satisfied with the explanation given. There is room for further explanation why that particular hospital was chosen.

Mr Burns: What precisely does not satisfy her in that explanation? What in particular causes her concern?

Diana R. Johnson: I am particularly concerned—I think that my hon. Friend the Member for Hartlepool mentioned this—about the clear view of all the clinical professionals—*[Interruption.]* I do not have the speech in front of me, but considering that the Secretary of State for Health talks continually about the need for doctors and clinicians to be in the driving seat when decisions are made in the NHS, and considering that, as my hon. Friend said, it is clear that the clinicians and health professionals involved were very centred on having that one hospital, why have those views been suddenly pushed to one side? Will the Minister explain that, given the coalition Government's new approach of saying that clinicians are at the centre of decision making? If so, I will be pleased.

Also, on the cost of cancelling the project, how much money was spent getting to the point of preparing to proceed? What yearly maintenance and repair bill does the Minister think will now have to be paid for the two hospitals? What is the coalition Government's plan for in-patient health facilities for that community? What does he see as the future for either a new hospital or a different style of health service provision in the area? What is his thinking? It is certainly not clear.

The Office for Budget Responsibility's projections, to which one of my hon. Friends referred, show that the actual deficit was lower than was projected before the general election. We have also seen higher-than-expected growth figures this week, which hon. Members might find surprising. I ask the Minister to reconsider the economic impact of refusing to follow through on the decision to build the hospital, taking into account what my hon. Friend the Member for Sedgefield said about the potential for the hospital to be an anchor tenant to attract important private sector businesses and jobs. I know that the coalition Government are committed to helping the private sector grow us out of our present financial situation, so will the Minister reconsider? The range of Members present in the Chamber shows a

[Diana R. Johnson]

clear commitment to ensuring that the people of the north-east get their fair share of resources and the kind of hospital service that they so richly deserve.

3.37 pm

The Minister of State, Department of Health (Mr Simon Burns): I congratulate the hon. Member for Hartlepool (Mr Wright) on securing this debate. As he and his hon. Friends will know—as the shadow Minister rightly said, they are here in force—we have had a briefer debate on this subject, and I have had the pleasure of welcoming most of the Opposition Members present to a meeting at my Department, where we had a useful exchange of views.

Before I address the main thrust of most of the contributions, which is North Tees and Hartlepool, I will give a brief overview of the health situation in the north-east and will refer to some of the comments made by my hon. Friend the Member for Hexham (Guy Opperman).

Earlier this month, as hon. Members know, we published our vision for the national health service in the White Paper "Equity and excellence: Liberating the NHS", which signals the beginning of the most profound reform in the NHS's 62-year history. By taking power away from Ministers and civil servants in Whitehall and handing it to patients and clinicians, we shall transform the health service from the ground up.

Diana R. Johnson: Will the Minister give way?

Mr Burns: I thought that the shadow Minister might want to intervene.

Diana R. Johnson: I am intrigued. I read carefully the coalition agreement, which said that there would be no top-down reorganisation of the NHS and mentioned having elected representation on primary care trust boards, which I understand are now to be scrapped. Will he explain why, in a few weeks, the Government have completely ditched that proposal, which was in the coalition agreement?

Mr Burns: I will certainly explain that when I get on to the specific point about Hartlepool because, unfortunately, as will be unveiled to the shadow Minister and the hon. Member for Hartlepool, their comments today are based on a false premise and show that they do not fully understand the previous speeches on the issue, or the meeting we had at the Department of Health. All will be unveiled shortly, and I hope that the shadow Minister will understand the reasoning behind the decision taken.

As I was saying, as part of the vision, and the moving forward on the White Paper, we want every hospital trust in the country to become a foundation trust. We want to direct every aspect of the national health service at delivering clinical outcomes that are as good as, or better than, any in the world. The north-east is already ahead of the game in many respects. In November 2009, it became the first and only region in England to have all of its NHS hospital and mental health trusts awarded foundation trust status. When the Care Quality Commission reviewed hospital services in the region last year, every single hospital trust and every ambulance service was rated either good or excellent for the quality of their services. That gave the north-east the highest score in England for the third year running.

Among those hospital trusts, Gateshead Health NHS Foundation Trust, Newcastle upon Tyne Hospitals NHS Foundation Trust and Northumbria Healthcare NHS Foundation Trust all received double excellent scores for both quality of services and the use of resources. The high quality of services across the north-east is down to the skill, dedication, creativity and sheer hard work of the thousands of NHS staff across the region. I want to take this opportunity to pay tribute to them and wish them well in their continued success in providing first-class care and services to the people of the north-east.

Alex Cunningham: Would the Minister care to help us get a hat trick, and to go from double to triple excellence, by having a brand new hospital for the people of North Tees and Hartlepool?

Mr Burns: I admire the hon. Gentleman for his persistence. If he could have a little patience, I shall talk about the points made by my hon. Friend the Member for Hexham, and will then come on to the hospital that has so dominated the debate.

My hon. Friend mentioned Northumbria Healthcare NHS Foundation Trust and its proposal to build a £75-million emergency care hospital in Cramlington. I am advised that planning permission is currently being sought for the proposed site and that further development work is under way. I hope that that goes some way to answering the point that he raised. I will make sure that I write to him during the next week or so on the other points that he mentioned to explain all the outstanding issues.

I shall now turn to the review of the hospital in North Tees and Hartlepool. The hon. Member for Hartlepool specifically raised the Government's decision to cancel North Tees and Hartlepool NHS Foundation Trust's proposal for a new hospital building. As I stated in the House in our last debate on this matter on 5 July, the original proposal for a publicly funded capital scheme received Treasury approval in March this year, in the run-up to the general election. In view of the shocking state of the public finances and the desperate need to reduce the £155 billion deficit, which I need not remind Labour Members was left to us by their Government, the Treasury and other Departments reviewed every significant spending decision made under the previous Government between 1 January 2010 and the general election on 6 May.

Mr Iain Wright: I appreciate the Minister's explanation and analysis, but if the Conservative-Liberal coalition Government are concerned about the state of the public finances and want to help drive down the debt quicker, why was there not a moratorium on all capital spend in the NHS, similar to that which the Secretary of State for Education put in place with regard to Building Schools for the Future?

Mr Burns: Because, as I will again explain—this is similar to what I said on 5 July—there were a range of criteria determined and, as the hon. Gentleman is aware, we took the decision on the hospital on the grounds of affordability and the foundation trust status of the

hospital. If he will bear with me, I will explain that again, so that even if he does not accept the decision, he will, I hope, come to understand the reasoning behind it.

On 17 June, the Chief Secretary to the Treasury, my right hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander), announced to the House the decisions made following the Government's review of spending commitments. The review cancelled 12 projects, including the proposed new hospital at North Tees and Hartlepool.

The aim of granting foundation trust status is to give bodies, such as the trust in the area represented by the hon. Member for Hartlepool, greater financial independence. As well as being able to keep any internally generated resources, foundation trusts also have greater freedom to borrow from either the public or the private sector. As the proposals required an allocation of public dividend capital from the Department of Health of more than £400 million, they were not consistent with that financial independence. Treasury and Department of Health Ministers, including me, decided that, overall, those factors—affordability within the changed economic climate and the hospital's foundation trust status—weighed against the £458-million scheme for North Tees and Hartlepool more than they did against the other three schemes at Liverpool, Epsom and St Helier, and the Royal National Orthopaedic hospital. For those reasons, the Government withdrew support for the scheme.

Following our previous debate, I was pleased to meet, on 8 July, Paul Garvin—the chair and non-executive director of North Tees and Hartlepool NHS Foundation Trust—together with the hon. Member for Hartlepool and many of his hon. Friends now present. At that meeting, we discussed the possibility of the trust putting forward a new proposal under the private finance initiative. As I have said repeatedly, I cannot in any way give any guarantees that such a scheme would, or would not, be approved. Like any proposal, it would have to be considered on its merits and in the light of the economic climate at the time it was put forward for consideration and possible approval.

However, the advice I would offer the foundation trust is the same advice I would offer any organisation putting forward such a proposal. Any scheme must reflect the changed realities of the national health service, as set out in the White Paper. It would clearly have to demonstrate that it passed the four tests for reconfigurations set out by my right hon. Friend the Secretary of State. That is, it has to have the support of GP commissioners; arrangements for public and patient engagement, including with local authorities, must be strengthened; there must be clear clinical evidence underpinning any proposal; and it must develop and support patient choice.

The economic and policy circumstances have changed since the original proposals were put forward. It would be advisable for the foundation trust to make sure that any revised proposals reflect those changes, and can demonstrate that they have the full support of GPs, the public and the local authority. Any new proposal must be realistic, affordable and provide value for money.

Grahame M. Morris: On the point about providing value for money, and the elephant in the room, which is the implied advice that the appropriate route for a foundation trust is a PFI initiative, does the Minister accept that the evidence suggests that over the 35-year write-off time, or life of a hospital, there would be an estimated additional cost to the pubic purse of £5 million a year as a result of going down the PFI route? That would cost the public purse an additional £175 million over the lifetime of the hospital—money that would otherwise go into patient care.

Mr Burns: I have to say, in the kindest, gentlest way possible, that I fear we are beginning to go around in circles. I have given the corrected figures; confusion was caused by what *Hansard* originally printed in the last debate on the subject, when I talked about the comparable costs of maintaining the two hospitals that exist and building a new one. There was a marginal £11 million difference.

Grahame M. Morris: Will the Minister give way?

Mr Burns: The hon. Gentleman must wait a minute, because I have only 10 minutes in which to answer the questions that the hon. Member for Hartlepool asked. The fact is that the decision was taken on affordability and on the fact that the trust was a foundation trust and so was free to seek other means by which to finance the project, rather than going to the Department for capital funding. Those decisions were taken because of the tough economic situation we inherited after 6 May and the massive deficit the country was left with. My right hon. Friend the Chancellor of the Exchequer rightly believes that the No. 1 priority for sorting out the economy is to get rid of the deficit as quickly as possible. Regrettably, tough decisions have to be taken in the light of the dire economic situation.

I must tell the hon. Members for Hartlepool and for Kingston upon Hull North (Diana R. Johnson) in the nicest terms possible, that it was their party's mismanagement of the economy and deficit that put us in the current situation. We will have to take tough decisions if we are to have a buoyant, vibrant economy again. *[Interruption.]* If I might continue—*[Interruption.]*

Jim Sheridan (in the Chair): Order.

Mr Burns: I will now answer some of the Opposition Members' questions. The hon. Member for Hartlepool asked whether there was an optimal population size for a hospital. I have consulted my officials, who tell me that they are unaware of whether there is an official optimal population size for hospitals, so I will look into the matter and write to him with a satisfactory answer as soon as possible, giving him any information we have.

I have already explained, including on 5 and 8 July, the decision that governed the withdrawal of approval for the hospital. On the hon. Gentleman's question about the future of Hartlepool hospital, there are currently no plans to close it, and that will remain the case unless the strategic health authority and the PCT propose closure. There are no such proposals at present, as far as I am aware.

Mr Iain Wright: I thank the Minister for that clarity. Given the proposals to abolish SHAs and PCTs, what will happen after that?

Mr Burns: It is perfectly reasonable for the hon. Gentleman to express concern about and an interest in finding out what would happen. The answer is that that will depend on a combination of factors, including the national commissioning board that will be created, the GP commissioners and the decision of the local health community. If a local health community put forward any proposals to reconfigure health patterns in its area, it would have to go through all the procedures that are currently in place, and there will also be the changes that my right hon. Friend the Secretary of State will put in place to strengthen the community's input into any proposed reconfiguration. The views and support of clinicians and GPs will be sought, and the focus will be on improving outcomes and affordability, and including the views of local populations.

The hon. Gentleman will know from reading the White Paper and the five related documents that have so far been published, which flesh out the details, that local authorities will have a greatly enhanced role in the provision of health services and the maintenance of health care standards in the local community, and will not be restricted solely to their current role in public health.

The hon. Gentleman asked whether the Government will implement the recommendations of the Darzi review on acute health services north of the River Tees. The recommendations of that review were superseded by advice provided by the independent reconfiguration panel to the then Secretary of State for Health in December 2006. That advice formed the basis of the "Momentum: Pathways to Healthcare" programme, which was developed by the local national health service to provide a new health care system for the people of Stockton, Hartlepool, Easington and Sedgefield. We understand that NHS Hartlepool and NHS Stockton-on-Tees will continue to work closely with North Tees and Hartlepool NHS Foundation Trust on delivering the wider Momentum programme, and will be discussing the options available with the trust. I hope that that goes some way towards satisfying the hon. Gentleman.

The hon. Member for Kingston upon Hull North mentioned the generality of the provision of health care, and new health care facilities, in the region, and I can reassure her by mentioning a number of initiatives that have taken place in the Stockton-on-Tees area in recent years.

Diana R. Johnson: In recent years.

Mr Burns: Yes, in recent years—there is no point in the hon. Lady sitting there and saying that because, to be frank, anyone who takes a sensible approach to such matters will not try to score cheap party political points. I recognise that for the past 13 years we have had not a Conservative but a Labour Government, and I am mature enough and comfortable enough within myself to recognise that during those years advances in health care were made. I am not one of those narrow politicians who say that, because there was not a Tory Government, everything was awful, or that everything done by a Tory Government is wonderful; it is a mixture of the two. One has to be mature enough to recognise that, as I do. The initiatives I will refer to took place in the past few years, so they were under a Labour Government.

As the hon. Lady will know, 26 of the 46 Momentum business service change projects are under way as part of the "Momentum: Pathway to Healthcare" programme. They consist of detailed service reviews, a revised pathway based on a map of medicine, a value impact assessment and a service implementation plan. Examples of pathways reviewed to date include those on diabetes, respirology, cardiology and haematology. There are also cross-cutting business service change projects under way in the areas of work force and education, IT, and communications and engagement. There is also an integrated care centre at Hartlepool, with which the hon. Member for Hartlepool will be familiar, and an integrated care centre at Billingham, which I expect the hon. Member for Stockton North (Alex Cunningham) and my hon. Friend the Member for Stockton South (James Wharton) will know.

Diana R. Johnson: Will the Minister give way?

Mr Burns: I will give way briefly for one final intervention.

Diana R. Johnson: I am pleased that the Minister has read out a list of initiatives introduced under a Labour Government, but I am interested in the coalition Government's thinking on health service provision in the north-east. What initiatives do they have planned for dealing with the health inequalities that have been mentioned by Members today?

Mr Burns: I thank the hon. Lady for giving me the opportunity once again to tell her that those are all contained in the vision outlined by my right hon. Friend the Secretary of State in the White Paper that was published last week. It is a vision that puts patients at the heart of health care, so that they can have the best health care of the highest quality. It is based on the premise that there should be a local, bottom-up system, rather than one in which politicians and bureaucrats in Whitehall issue diktats and tell local communities with which they are unfamiliar what they should and should not do. That is the way forward for enhancing health care.

Our vision is based not on processes that are distorted for party political purposes, but on the need to improve outcomes so that people get better health care. The patient experience, whether in a hospital setting or when a patient visits their GP, should be tailored to their needs, rather than to what the state tells them that they should have. That move will be spearheaded by GPs, through GP consortiums, as it is they who are closest to patients, know the health care that they need, and know how patients can best access it. That will all be determined by improving outcomes and the patient experience in order to give the finest quality care that the country can provide—the highest in the world. That is the answer to the hon. Lady's question.

Ship-to-Ship Oil as Cargo Transfer

4 pm

Thomas Docherty (Dunfermline and West Fife) (Lab): I welcome the opportunity to have my first Adjournment debate under your chairmanship, Mr Sheridan.

The regulations on the ship-to-ship transfer of oil as cargo excite passions right along the Forth and elsewhere, in a way that the dry title of the debate might not credit. Many of my constituents and those of my parliamentary colleagues feel strongly about the need for the regulations, as do all the local authorities in the east of Scotland and a range of environmental organisations, such as the Royal Society for the Protection of Birds—I should declare that I am a member of the RSPB, as I am sure many colleagues are.

I place on record that I accept the assurance offered by the Minister that he did not intend to give the impression that the Government were sneaking out the U-turn on the regulations. Labour Members accept that he was merely badly advised by his civil servants, who either did not realise or did not inform him of the hostility and anger that the Government's announcement would cause in Scotland.

The Parliamentary Under-Secretary of State for Transport (Mike Penning): I was going to let the hon. Gentleman have a free run, but the decision about when to lay the statutory instrument was not the result of ill advice by civil servants—it was my decision. Thursdays are full sitting days in the House. Every single MP who had shown an interest was e-mailed a letter and a copy of the statutory instrument. The measure was laid on a full sitting day—Thursday—and was not sneaked out. I resent how that has just been portrayed.

Thomas Docherty: I reiterate, I do not believe that the Minister was trying to sneak the statutory instrument out by using the form of a written statement. I hope he understands that many Scottish Members of Parliament would have been grateful for the opportunity to have a debate on the subject, perhaps after an oral statement, so I very much welcome today's opportunity.

Giving a background to the subject might be helpful. The regulations followed a commitment by the previous Government after my hon. Friend the Member for Edinburgh North and Leith (Mark Lazarowicz) withdrew his private Member's Bill, the Environmental Protection (Transfers at Sea) Bill. The Bill was itself the result of an outcry in Scotland against proposals by Forth Ports to start carrying out ship-to-ship transfers in the firth of Forth. The Bill followed the introduction of new Scottish regulations, brought in by the Scottish Government in 2007, which dealt with those aspects of environmental regulations devolved to the Scottish Parliament. Significantly, those regulations were supported by all parties in the Scottish Parliament, including the Liberal Democrats and the Conservatives.

Let me clear up one myth that opponents of the regulations—the shipping lobby in particular—have been perpetuating, namely, that the regulations have been rushed in some way. The 2010 regulations took the Department for Transport two years and two consultations to produce. They were eventually laid before Parliament in the so-called wash-up in April, to get through which we assume they must have had all-party support. Therefore, further delay and a third consultation are frustrating. It is unclear to us what new, previously unavailable information might be obtained by the third consultation that was not available from the first two processes. I hope that the Minister's reply will clarify that point.

May I also make it clear that Labour Members do not oppose ship-to-ship transfers in principle? The Scottish Government and environmental bodies such as the RSPB do not do so either. Furthermore, the Scottish Government cannot be accused of nimbyism when they are championing the use of other Scottish waters. However, because oil spills into the sea are an environmental and tourism disaster, we believe that ship-to-ship transfers must be regulated. We only need to look at what happened in the gulf of Mexico, or closer to home in the Shetland islands with the Braer oil tanker a few years ago, to see what can happen to our environment when things go horribly wrong.

Regulations should ensure two things—that ship-to-ship transfers are carried out in the right and safest place; and, secondly, that they meet the current environmental regulations. Therefore, long-standing good practice should be permitted to continue, as in Scapa Flow, which is sheltered, overseen by the harbour authority and in close proximity to pollution control equipment and expert staff. However, the use of potentially hazardous places such as the firth of Forth, which is open sea, uncontrolled and with little if any nearby pollution control, should be prohibited.

The 2010 regulations, in our opinion and that of the shadow team before the general election, provided just such an approach. They also provided a means to ensure that the operations comply with current EU regulations, otherwise the Government would be at risk of committing an infraction, as I am sure the Minister will confirm.

I do not believe—I suspect that colleagues would not disagree—that the shipping industry should be allowed to pursue the policy of self-regulation for which it is lobbying. Before entering Parliament, I worked at a nuclear power station and on the railways. No one in their right mind would argue for allowing either the nuclear or the railway industries to self-regulate. Given that we require independent, statutory regulation of those two industries, and given the risks involved in the activity that we are discussing, why should the shipping industry believe that it should be allowed to self-regulate? I hope that the Minister will rule out that option today when he replies or, failing that, will expand on his thinking on self-regulation.

The shipping lobbyists and their supporters will complain about the cost to them of following the regulations. However, I understand that the cost is only about £9 million a year, and the proposals would add only an extra half-day's sailing to reach Scapa Flow rather than the Forth. I do not believe that £9 million is too high a price for the protection of our environment.

As I have made clear, the subject concerns a great number of my constituents. It is rare indeed when the SNP Scottish Government, the Lib Dem and SNP-run Fife and Edinburgh councils, Labour MPs, and Labour, SNP, Lib Dem and Conservative Members of the Scottish Parliament all speak with one voice. That, I hope, demonstrates to the Minister the level of anger felt by many people in Scotland.

Sheila Gilmore (Edinburgh East) (Lab): The RSPB is one of the big campaigners on the issue. My area certainly experienced such campaigns when I was on the council, which was before 2007—that is how long we have been talking about the matter. The RSPB stated that it could not understand why the regulations could not go ahead. Was my hon. Friend aware of that?

Thomas Docherty: My hon. Friend has been a champion on the issue in Edinburgh for quite a while. She is right that the RSPB is unhappy. I think it is fair to say that it feels that its voice has not yet been heard in the debate. I hope that the Minister will be able to give us a guarantee today that, as part of his consultation over the next six months, he will find an opportunity to meet with the RSPB and me, as well as with my right hon. and hon. Friends, if he can find time in his diary, perhaps in September or October. The RSPB could then have an opportunity, in person, to make its case.

I am conscious that I have been pursuing this issue for some time.

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): I appreciate that there was some confusion about who would raise this matter, there being two new Members from Scottish constituencies with the same first name. I understand that that caused a little confusion.

I have been aware of the issue for some time, having worked in the Scotland Office. I wonder whether my hon. Friend is aware that, at the time of the build-up to the regulations being laid, there was a considerable period in which there was significant resistance to them from the Department for Transport, although the Scotland Office and other bits of the Government were pushing for them. Could the Minister respond to that point, which is of concern to some of us on this side of the Chamber?

Thomas Docherty: I am grateful to my hon. Friend for those comments. He obviously has particular expertise and knowledge of the mechanics of government from his former life. I would be grateful if the Minister could respond to that point. It might also be worth his clarifying what representations, if any, he has had from either the Secretary of State or the Under-Secretary of State for the Scotland Office. We understand that they are supposed to be Scotland's champions in the Government, and, given that the Scottish Government and the local authorities have raised the matter with his ministerial colleagues, it would be helpful to get an understanding of whether the Scotland Office has been asked for, or has proactively provided, any input to the review.

I am conscious that I am beginning to approach the Minister's time, so let me make one final observation. Of course, we would never seek to use early-day motions as a method of gauging the overall strength of feeling in the House. I suspect that the Minister and I would be at one in suggesting that they are not necessarily the best way to make policy. However, it may be worth looking at the two early-day motions that were tabled on this subject.

One was from the hon. Member for Truro and Falmouth (Sarah Newton), who I welcome to the debate. I am sure that she will have some thoughts for us in a moment. Her early-day motion, which began

"That an humble Address be presented to Her Majesty",

asked for the regulations to be annulled, and attracted four signatures.

The counter to that early-day motion was early-day motion 308, which was tabled by my hon. Friend the Member for Edinburgh North and Leith and which attracted 28 signatures. Basically, it said that the House welcomed the regulations, and asked for them to be enforced. Curiously enough, however, the hon. Member for Portsmouth South (Mr Hancock) seems to have signed both motions. Far be it from me to try to establish why a Liberal Democrat might think that he can be both in favour of and against something simultaneously—I suspect that the Minister might have more experience of that than I do.

In conclusion, I welcome the opportunity to have this debate. So that we are all clear, I accept the Minister's assurance that he was not seeking or intending to sneak out the announcement. I hope that he can give us some reassurance on the points that we have raised on regulations and other subjects, and I very much hope that he will be able to shed some light on who has made representations to him so far, and on his plans to take further representations from Members on both sides of the House.

Several hon. Members *rose—*

Jim Sheridan (in the Chair): Order. Before I call the next speaker, I remind Members that it is normal practice to allow the Minister at least 10 minutes to wind up and to give appropriate answers.

4.13 pm

Sarah Newton (Truro and Falmouth) (Con): Thank you, Mr Sheridan, for allowing me to speak. I also thank my hon. Friend the Minister for allowing me to make a few comments.

On the early-day motion, Members probably know that one is forced to table an early-day motion to pray against a set of regulations, so my motion was a technical intervention to register my concern about the regulations and to pray against them, in the hope that the Minister might consider my arguments for reconsidering them.

To reassure Opposition colleagues, I, too, represent an area that might be viewed as the other part of the Celtic fringe. Some hon. Members who represent constituencies at the other end of the British isles certainly refer to it in that way. I represent an equally beautiful part of the country that prides itself on its natural environment, and it is of the utmost importance to me and all Members from Cornwall to protect that environment.

I also represent the port of Falmouth, which is the third-largest natural harbour in the world. It is a special area of conservation, and we very much prize its environment. It has the last oyster-fishing fleet still under sail in Europe. We manage to consider the environment, while having a vibrant commercial port that not only has contracts with the RAF for servicing its ships, but has ship-repairing, yacht-building and oil-bunkering businesses.

I received representations from constituents who were concerned about the operation of the regulations as laid before the House. We all absolutely understand the importance of protecting our natural environment. I grew up in Cornwall at the time of the appalling Torrey Canyon oil spill, which blighted all the beaches of Cornwall and caused devastation to wildlife. I have

lived through such a situation, and the last thing that I would want is to be associated with anything that would jeopardise the environment or cause such degradation.

I felt that it was important to make representations to the Minister, and I am absolutely delighted with the course of action that he has taken to ensure that any regulations passed by the House are enforceable. My concerns were about the enforceability of the regulations and ensuring that they did, in fact, deliver what we all want, which is a balance between environmental protection and a vibrant shipping industry, which makes a great contribution not only to my constituency but to the British isles as a whole.

4.16 pm

The Parliamentary Under-Secretary of State for Transport (Mike Penning): It is a pleasure to serve under your chairmanship, Mr Sheridan, for the first time speaking from the Government Benches. I have been chaired by you before, but only when I was in the Opposition.

I congratulate the hon. Member for Dunfermline and West Fife (Thomas Docherty) on securing this debate—his timing is perfect, just as we go into recess. If he looks around, he will find that many colleagues have disappeared north and south, even though this is a full sitting day. I know about the difficulties of travelling to different parts of the country when the House adjourns. For some time, Thursdays have not been one of the longest sitting days—not very much business was whipped on Thursdays. However—I am afraid that we may all have to get used to this—they are very much a full day, and we could have Friday sittings as well. Written ministerial statements will be tabled on Thursdays.

There was a debate when I first took on this job and looked at the regulations, when I asked about the correct method for informing the House and the country that I had some concerns about how they had been laid. In May, when I became the Shipping Minister, there was a huge pile of paperwork to go through—that is natural enough, for a brand-new Minister. One of the things that struck me, before I received any representations from anyone, was the legislation that had been put through in the wash-up period.

I was here for only five years before the hon. Gentleman was elected, and I do not know all the processes. However, I know that not everything that goes through in the wash-up period has received general agreement, especially when it comes to statutory instruments. It does not work that way, so it is wrong to say that everything was agreed and was fine—it was not. Putting in a statutory instrument three days before the House rises for an election is perhaps not the way to have open government or to discuss things, be able to pray against them and move forward.

I accept the hon. Gentleman's concerns that the statement was made on a Thursday and that Scottish MPs were on their way back to Scotland, but the House was sitting. The written ministerial statement was tabled by 9.30, and by 9.36, every MP who had shown an interest, including every Scottish Member who had done so, as well as Alex Salmond, the leader of the Scottish Parliament and the Scottish Government, was e-mailed with the written ministerial statement and a letter from me explaining why I was going through the process.

Thomas Docherty: On the point about the wash-up, can the Minister clarify what representations either the Conservative or the Liberal Democrat transport teams made against the regulations being introduced in April? That might clarify matters for us.

Mike Penning: I understand where the hon. Gentleman is trying to go. Let me be honest and say that I do not know. In the way that I am looking at the matter now, I do not think that that matters, because it is about whether Parliament was fully informed and had an opportunity to go through the process that was required for such important regulations.

I set out in my letter quite firmly that, although this important issue seems techie, it is not. The environment comprising this country's shores is important. This is not a devolved matter. I listened intently to hon. Members' comments. Although we have to take into consideration the views of other Parliaments in the United Kingdom and those of other Members of Parliament, this decision is being made by one of the few ministerial roles that still deals fully with the United Kingdom. I am proud of that.

I considered carefully, and understand exactly, what the regulations were trying to do: protect the environment and bring some ports inside regulation—the hon. Member for Dunfermline and West Fife mentioned Scapa Flow earlier—that are outside both it and the European habitats directive, which is not acceptable.

I accept that regulation is required—there is no argument about that—but we are looking for suitable regulation for the process, which is why we have gone into consultation. We need to consider whether the regulations are a sledgehammer to crack a nut, in certain respects, and whether they are enforceable. That is why I asked for the consultation and suspended the implementation of the regulations, scheduled for October. I did not revoke the SI, which was another option that could have gone ahead. Instead, I delayed its implementation for six months so that we could consult fully—Parliament should do that—and find out about any other concerns that the public, those involved in shipping, the RSPB and others may have about how the regulations will work in practice. I do not know what those concerns are, because the consultation is not over. My hon. Friend the Member for Truro and Falmouth (Sarah Newton) has already mentioned the concerns in Falmouth about how the regulations will work.

Sheila Gilmore: After such a long gestation period for the regulations, does the Minister understand the scepticism and anger in the communities that have campaigned about this matter and want to see it happen? I came off Edinburgh city council in 2007. We were discussing regulations then and there was a bit of confusion about the degree to which the Scottish Parliament could take part. After such a long time, does the Minister understand how people feel, and is he prepared to give clear reassurance to those who want clear regulation in this regard?

Mike Penning: I understand the public's concern, throughout the country, about what would happen if there was an oil spill and about the dangers to the environment. I also understand that the consultation was lengthy. But the regulations are sitting there and there is genuine concern on both sides of the argument

[Mike Penning]

about whether they go far enough. As the Minister responsible, it is crucial that I ensure that the legislation that is put before the House is fit for purpose.

Peter Aldous (Waveney) (Con): I was heavily lobbied on this issue immediately after I was elected and I listened to a lot of businesses that are concerned about the job prospects in the Lowestoft area as a result of the ban. I should like to mention in particular the Regulatory Policy Committee's report, dated 13 April, the summary opinion of which is:

"The case for the prohibition of ship-to-ship oil transfers in UK territorial waters outside of harbour areas has not been made. There appears to have been little assessment of risk in drawing up this proposal, and it is not clear that the environmental benefits will be achieved. Furthermore, there is no adequate explanation for the enhanced environmental benefits of the preferred Option 3, over Option 2."

Will the Minister confirm that he has had regard to the findings of the Regulatory Policy Committee in coming to his decision?

Mike Penning: Not only have I had those findings, but I will look at them after the consultation is concluded.

One of my biggest concerns is whether all the regulations are likely to work. That is a point of law. If they are not going to work in law, what is the point of having them? The measures in respect of Scapa Flow, the habitats directive and the environmental consequences will have to happen: that is part of the regulations. I understand that the hon. Member for Dunfermline and West Fife vehemently does not want ship-to-ship transfer in the Forth, but we have to consider whether there is a legal way of ensuring that that does not happen. Although the hon. Gentleman does not want ship-to-ship transfers, ships could move 12.1 miles off the coast and do the transfers legitimately there. Under the regulations, we cannot do anything if they move outside the 12-mile limit. That worries me an awful lot.

Ship-to-ship transfers also take place off the Suffolk coast. My hon. Friend the Member for Suffolk Coastal (Dr Coffey), who is not in this Chamber today, is concerned about whether ships will move outside the controlled environment, where transfers happen at the moment, and go beyond the 12-mile limit. My hon. Friends the Members for Truro and Falmouth and for Waveney (Peter Aldous) have mentioned concerns about jobs being jeopardised.

The hon. Member for Dunfermline and West Fife asked whether I would rule out self-regulation. There will be regulation: there is no argument about that. This is about how far regulation goes and whether it is enforceable: that is the crucial thing with any regulation made in the House.

My scepticism is not based on my lack of willingness to protect the environment. Anyone looking at my track record will know my views on the environment. I am a fisherman and have fished in many of the coastal areas that the hon. Gentleman represents. We have to consider the risk. The hon. Gentleman mentioned earlier what has happened in respect of BP in the gulf of Mexico. Sadly, that might happen—God forbid that it does—on any of the rigs sitting out there today. There has not been a spillage from ship-to-ship transfer. The regulations are preventive and will put a burden on the shipping business: there is no argument about that, because that will happen. If we put such a burden on shipping, will ships sail up to Scapa and go in and pay their dues, or will they move a few miles out? I am not a shipping person, but I understand that the margins are not huge. That may happen.

A lot of ships doing the transfers are Russian. As hon. Members know, the Russians have a large fleet, some of which is not the best quality. I hope that the Russians do not get upset about that, but it is a fact. If we can at least see the ships and control them to some degree within our territorial waters, we stand a chance. If they sit offshore, we will not be able to protect them at all.

It is crucial that Parliament sets laws that are enforceable and fit for purpose. I will return to this point. I suspended the regulations because I am concerned that they may not be enforceable and are possibly not fit for purpose. However, I stress that that does not take away the requirement for regulation. I am disappointed that, as revealed in earlier comments, there seems to have been a lack of communication or co-operation between the Scotland Office in the previous Government and the Department for Transport. I assure the hon. Gentleman that that does not exist now and that there is now real co-operation between all the relevant Departments.

I will meet as many different people and representative bodies as possible, including the RSPB. I am conscious that I have not had the sort of representation from the RSPB that I should like to have seen, but I expect to receive it during the consultation.

Of course, the shipping industry is concerned, but it is not just about the shipping industry, as we have heard from hon. Members from around the country, who are concerned about whether these are the right regulations to protect the environment and jobs and whether they are a sledgehammer to crack a nut. I will consider that matter carefully during the consultation period.

Strategic Transport (Cambridge)

4.29 pm

Dr Julian Huppert (Cambridge) (LD): I am delighted to have secured this crucial debate, especially as it is the last Westminster Hall debate before the long recess. I apologise, Mr Sheridan, for detaining you and the Minister from the break. Transport affects all my constituents daily, in one way or another, and it is a major concern that is raised constantly by residents and employers. Having spent almost my whole life in Cambridge, and having chaired the Cambridge traffic management committee for many years, I know the problems all too well. However, I am enthusiastic about the opportunities to make transport in Cambridge better for all—for businesses using important freight routes, for commuters who make the daily journey to work, and for tourists who come to enjoy the region's historical and cultural attractions.

If we are to have a transport system that is better for all, we must get our priorities right. That means seriously considering whether we should continue our dependence on cars and lorries. I am sure that I need not rehearse for the Minister road vehicles' impact on the environment. I have long believed that there are good arguments based on nothing more than simple self-interest. Congestion is increasingly problematic everywhere, and particularly around Cambridge. Everyone knows that, and no one enjoys it, but the evidence shows that, if more roads are built, more congestion fills those roads.

The best argument for doing things differently is simply the A14, which is vital to the region and the country, but is notoriously congested and unsafe. The traffic loads are far above those recommended by the Highways Agency, and almost a quarter of vehicles on the road are HGVs travelling to or from Felixstowe port. HGVs are responsible for more than one third of the accidents on the A14. Anyone who has travelled along the road a few times will know how often there are hold-ups. Even a trip to the supermarket may quickly become an expedition worthy of Captain Scott. Sadly, the Highways Agency's way of dealing with the problem belongs in the history books. The agency and the county council are trying to ram through a scheme that would see the road widened to a 10-lane superhighway at the exorbitant cost of around £1.4 billion. That is a huge, unaffordable sum, especially at this time of financial constraint.

My concerns are not just financial. The proposed scheme, which the Government have put on hold, would also wreak havoc on Cambridge. The calculations show that several key roads in Cambridge would have a huge increase in traffic. For example, Huntingdon road, which is the main entry into the city from the north-west, could have 60% more traffic, while Horningsea road, to the east, could have traffic levels more than doubled. The effects of that extra traffic on other roads in Cambridge—for example, the ring road system—have simply not been calculated.

That is not to say that nothing should be done. In 2002, when I was a young, new county councillor, I argued that we should make safety improvements as soon as possible, develop a smaller scheme that would also deal with associated problems, such as the Huntingdon viaduct's end of life, and prevent Godmanchester from being a slip road for the A14. I made my suggestions at a council meeting, but they were dismissed by the ruling Conservatives, who said that a big scheme would be along soon. My proposals would have saved time and money, and they would also have saved lives. It is disgraceful that, eight years on, no safety improvements have been implemented, and a coherent, affordable plan has not been developed to deal with the A14 problem.

I pay tribute, in passing, to Cambridgeshire police, who have taken special measures to reduce the number of accidents, although they can only do so much. The introduction of average speed cameras has been impressively effective in reducing accidents. Will the Minister examine the affordability and cost-benefit analysis of a much smaller-scale improvement that would deal with the main safety concerns, could be delivered soon, would benefit so many residents and start to save lives now?

Sadly, the A14 is not the only problem area for travel around Cambridge. The fiasco of the Cambridge guided bus is another example of poor strategic thinking. As Liberal Democrat leader on the county council, I led the campaign against that ill-conceived project. The money and the space, even as designed at the outset, could have been far better used for other schemes. One problem is that the bus is not guided through Cambridge, which is precisely where a guideway would have been most useful. It is notable that the inventor of the guided bus concept lives in Cambridge, and was an active campaigner against the guided bus.

The county council, egged on by the previous Government, became so fixated on the guided bus that other facilities lost out on resources as a result. That error was compounded by the failure to ensure that Cambridge residents would be able to use the system. There are continuing limits on where it will stop to pick up passengers. In the meantime, other bus routes have been altered, and stops removed from service to allow the guided bus to speed through when, if ever, it starts running. As I speak, the whole project is some £50 million over the allotted budget of £106 million, and is more than a year overdue, with no immediate prospect of running any time soon. Indeed, some of the buses bought by Stagecoach to run on the guideway used to say, "I'll be on the busway soon", but were repainted to say, "Will I be on the busway soon?" That shows the level of its concern.

The latest public papers suggest that legal arguments between the county council and the contractors, BAM Nuttall, are likely to run until 2014-15, greatly benefiting the lawyers on each side, I suspect, whatever the outcome. That is not ideal for people in Cambridge who would like to be able to get around. I hope that, when the scheme is finally up and running, it will be effective, and that people will use it. A white elephant with some usage is far better than a white elephant with no usage. But given the broken promises by the Conservatives at Shire hall that it would be built "on cost, on budget" and at

"no cost to the Council taxpayer",

I am not holding my breath. The Minister agreed in response to my parliamentary questions to hold a review of guided bus policy, and argued that the county council should perform its own inquiry into the system. I thank him for that.

What are the solutions in the A14 corridor? The Liberal Democrats have long argued that the best way

[Dr Julian Huppert]

to lighten congestion on the A14 is to get freight off the road and on to rail. Our manifesto pledge, as I am sure the Minister knows, was to take money from the major roads budget and to use it to reopen closed rail lines. One such line is the east-west link, which comes in two forms, depending on who one talks to, but both would be beneficial. One version is the Cambridge-Oxford line, and opening up a direct route across the country from Ipswich to Oxford; the other is more northerly, via Nuneaton, and would allow freight to travel from Felixstowe docks without having to use roads until much nearer its destination. Work has already commenced on the Nuneaton section, and I hope that the Minister will give a commitment to see that essential work through to completion, so that we have a functioning freight route.

Those schemes would massively reduce traffic on the A14, making it safer, faster and more reliable. They are remarkably cost-effective, and would use existing infrastructure for much of the route. For the wider region, that would provide far greater freedom of movement for workers and tourists, along with better and safer options for businesses—truly a transport system better for all.

As well as investment in rail infrastructure, which would enable a switch of freight mode, further incentives are needed. A scheme in Switzerland, the Leistungsabhängige Schwerverkehrsabgabe, or LSVA—I apologise to the *Hansard* reporters and anyone who knows how it is pronounced—is a nationwide scheme that charges HGVs to use the roads. The fee is based on all distance travelled; it is charged per kilometre as well as per tonne. It also includes an element depending on vehicle emissions, and applies to all HGVs weighing more than 3.5 tonnes. Will the Minister investigate such schemes to encourage freight off the road and on to rail, hopefully with the rail scheme that he will help us to deliver?

Another vital step for Cambridge is the introduction of Chesterton railway station. It has been needed for many years and, at a stroke, would reduce congestion in the centre of the city. Surveys show that around 70% of the vehicles parking at Cambridge station come from north of the city, so a station at Chesterton, which is in the north, would see the majority of those vehicles diverted there, bringing welcome relief to residential streets and the historic city centre. That project would be relatively cheap, and would be an excellent fit with Government policy. It would meet criteria for improving access to key centres and reducing carbon emissions. It would also be beneficial for the many high-tech companies around the Cambridge science park, as they would benefit from more convenient travel for their employees, and from better connections to London. On a technical note, such a project would ease the existing congestion at Cambridge station. Cost-benefit calculations are extremely positive, and that proposal was the top regional priority under the former grading scheme.

I understand from the Minister that the Department for Transport is working with the county council to assess the scheme for Chesterton, and that the council is considering funding options. I urge the Department and the council to reconsider the expensive and bloated expansion of the A14, and to redirect funds where they are most needed. Cambridge can grow in a sustainable way only if investment is put into public transport facilities now.

Such investment should include transport interchanges, and one specific issue is that of access to cycle parking at Cambridge station. There is huge demand for cycle parking at that station, as anyone who has used it will know, but there is gross underprovision of spaces. I have raised the issue with Network Rail, First Capital Connect and National Express East Anglia, and those companies have agreed to work on the problem. In particular, Network Rail has committed to looking at providing new double-decker cycle racks at the station, until the large CB1 scheme is complete, and I thank it for that commitment. Will the Minister ensure that such small proposals, which would nevertheless make a huge difference to people's daily lives, are supported, mandated and funded?

We must encourage people to use forms of transport other than the private car. As a driver, cyclist and pedestrian, I am keenly aware of the conflicting needs of different travellers, but it is a constant balancing act. I have no wish to deny drivers essential access, but I also want to ensure that we promote environmentally sustainable forms of transport around Cambridge. Cycling and walking are the ideal forms of travel, and they help people to stay healthy. Too often, however, local authorities are slow to provide good-quality routes for people to use on which they feel safe and which do not deviate from their direction of travel. Such routes tend not to get the appropriate levels of maintenance when potholes appear and—at least in Cambridge—they are not gritted sufficiently during the winter months.

In Cambridge, we had to reinstate legal cycling along a national cycling route through the city centre after it was banned by the Conservatives. Other measures would also help. A speed limit of 20 miles per hour should be easier to implement on a city-wide basis, so that although the speed limit on major roads would continue to be 30 miles per hour, side streets would have a limit of 20 miles per hour. That would have a limited impact on drivers, but would significantly increase the safety of cyclists and pedestrians.

We need less bureaucracy. In Cambridge, we spent many years seeking permission from the Department for Transport for road signs that indicated no entry to all except cyclists. We campaigned on that for years, and we have finally been allowed a pilot of a sign that should be easy to demonstrate and use. Such signs are more easily understood by road users than the low-flying motorbikes that are the alternative sign.

We must also promote bus services. Buses provide essential access, but too often they are run by monopoly providers, whose main interests are their own financial returns rather than the provision of a proper transport service to the population. Such providers use their clout to extract huge sums of money from councils to provide essential services. Will the Minister defend funding for cycling and walking schemes in Cambridge and elsewhere, and will he support more local powers to improve the bus services? Will he help with the trains so that there is more space to find a seat and tickets are better and more clearly priced? As a parochial interest, could there be a sign in King's Cross underground station to state which platform the Cambridge train will depart from?

Two years ago, this House made the courageous decision to pass an Act to stop climate change. However, it is no good setting targets if positive action is not taken to achieve them. If we persist in ignoring the fact

that it is impossible to build our way out of congestion, we will not only make life more miserable for motorists, cyclists and pedestrians alike, but throw in the towel in the battle against catastrophic environmental damage.

Making transport better for all in the short term is one thing, and I am delighted to have had the chance to set out my proposed strategy for Cambridge in the coming years, but we should never lose sight of the fact that, by increasing access to public transport and creating sustainable communities, we are not only making transport better for all—we are also building a fairer society.

4.44 pm

The Parliamentary Under-Secretary of State for Transport (Norman Baker): I congratulate my hon. Friend the Member for Cambridge (Dr Huppert) on securing this debate; this is the first time that I have had the chance to welcome him formally to this place, and I also congratulate him on taking over from David Howarth in representing the people of Cambridge. He has asked a number of questions about transport in Cambridge and has raised some important issues. I am pleased to respond to his first Adjournment debate on a subject that I know is of great importance to him and his constituents. He will recognise that he has given me a huge wish list, and I cannot promise to satisfy him on every point in my response.

As a preamble, I shall say something about the priorities of the coalition Government. The coalition agreement makes clear our commitment to a modern low-carbon transport infrastructure as an essential element of a dynamic and entrepreneurial economy. However, I must also make clear at the outset that the overriding need identified by the coalition Government is that of tackling the national deficit. That means that the decisions we take and the speed with which we are able to implement transport improvements will need to be determined in the context of the forthcoming comprehensive spending review.

The Department for Transport is playing a full part in the spending review that will report in the autumn; there will be a statement from the Chancellor on 20 October and we have already announced a range of measures aimed at delivering reductions in spending. On 24 May, the Chancellor and the Chief Secretary to the Treasury gave details of £6.2 billion of savings in Government spending in 2010-11. The Department for Transport is contributing to those savings by finding £683 million this year, and that has meant taking difficult decisions on funding. On 10 June, the Secretary of State for the Department for Communities and Local Government published further details of local government savings, including £309 million of savings from local transport funding.

I understand that those reductions and the deferring of decisions on some transport schemes until after the outcome of the spending review will be difficult for many places. Through reductions in ring-fencing we have maximised the flexibility for local authorities to reshape their budgets according to local priorities and identify where efficiencies can be found. There is also an opportunity to rethink transport plans and priorities and ensure that proposals are environmentally, as well as financially, sustainable. Given current financial constraints, it is essential to ensure that any new infrastructure is affordable and offers value for money.

My hon. Friend knows better than I do that Cambridge has always been an important and distinguished city whose origins go back to Roman times and the location of the first bridged crossing of the River Cam inland from the sea. Transport clearly had a crucial role in society then, as it does now. Cambridge is a world-renowned university town with three universities. It is city of science that has hosted such eminent scholars as Newton, Darwin and Watson and Crick. Lately it has built a world-wide reputation as a leader in bio-engineering technology, and the growth of that sector is a powerful economic driver, both locally and nationally.

The growth of Cambridge and the demand for travel has led to increases in traffic congestion. With many more new homes planned for the sub-region over the next 10 years, even more people will be travelling around. Since the 1970s, successive Governments have attempted to solve the congestion problem by building more roads. First came the M11 from London to the south of Cambridge in the mid-1970s. That was later extended to provide a western bypass of Cambridge in 1979 and the Cambridge northern bypass followed soon after as the A45. The old A604 road to Huntingdon was dualled and widened, but it was not until the mid-1990s and the completion of the M1 to A1 east-west link in Northamptonshire, that the whole route was renumbered as the A14. That route became the first major east-west trunk route linking the east coast ports to the manufacturing centres in the midlands and the north-west but, as my hon. Friend will know, the road is now a congested artery.

In widening the old A604 to a dual two-lane carriageway, the Government of the day did not foresee the demand that would be placed on that road once it became part of the A14. As long ago as 1994, the standing advisory committee for trunk road assessment—SACTRA—made clear in its report that new roads tend to generate additional traffic, which must be taken into account in forward planning.

There have been various schemes to widen the A14 between Cambridge and Huntingdon. The most recent is the present A14 Ellington to Fen Ditton scheme, which emerged as a recommendation of CHUMMS—the Cambridge to Huntingdon multimodal study. My hon. Friend will be aware that a preferred route was announced for that scheme a few years ago, and that a public inquiry was scheduled to start last month. That inquiry was suspended pending the outcome of the spending review, as has happened with other such schemes across the country. It was simply not tenable or sensible to continue with the statutory process of the scheme, given the uncertainty in relation to the spending review. I should record at this stage that there is significant support for the scheme, but there are also many people who have serious reservations about it, on both environmental and financial grounds.

The scheme cost is now in excess of £1 billion, which would be a huge investment for a single road. The spending review means that we must reconsider the affordability of that scheme and all others. We shall need to consider whether we really have the best and most sustainable solution to the problem. We have to ask that question about all schemes.

I take my hon. Friend's point about safety improvements. It is certainly important that we do not have an absence of safety improvements to a road because we are holding

[Norman Baker]

out for something bigger. I had a similar situation in my constituency with the A27. Clearly, people who have concerns about safety have a right to have those addressed. That will need to be factored into any consideration that we undertake in relation to the road that we are discussing today after the spending review is complete. I stress that no decision has been taken about the road as yet.

The previous Administration recognised that there was a separate need to cater for people who live in the villages around Cambridge and who work in the city or at the science park. The solution to that was seen as the guided busway. That scheme was approved by the previous Administration way back in 2001 and construction commenced in 2007, yet it is still not open. It has become a very expensive project, with costs rising from £116 million in 2006 to an estimated £160 million now. That is more than three times the original estimate.

Delivery issues remain to be resolved between Cambridgeshire county council and the contractor, as my hon. Friend said. I know that he has concerns about the project; he expressed those in a parliamentary question, which I answered last month. There are clearly lessons to be learned from both the Cambridge and the Luton to Dunstable guided bus projects. That is why I have asked my officials to consider the history and cost structure of those projects. I have asked for a report by the end of September on that matter and associated matters relating to light rail. Many of those schemes have also come in significantly above budget or were cancelled by the previous Administration. We need to learn the lessons to ensure that that does not happen again.

Let me deal with the issue of tackling congestion in the city centre. First, I want to make it clear that building big expensive infrastructure is not the only answer to tackling congestion. I know that my hon. Friend shares my view that much more can be done to support sustainable travel. We can achieve a great deal by concentrating much more on local interventions that respond to local needs. That will mainly be achieved through the local transport plan process. As I highlighted in a recent speech at the *Transport Times* conference in Manchester, local transport plans remain the best way for authorities to plan and deliver their strategy for integrated, safe, sustainable and efficient transport in their areas.

However, in line with the coalition agreement to promote decentralisation and devolution of power to local government, my Department will no longer seek to intervene in how local authorities review their progress against local transport plans. That will be a matter entirely for them. After the spring 2011 deadline for renewal of the plans, reports or reviews will no longer be required for central Government to consider.

Local authorities are working hard to have their new plans in place by next April, and I encourage them to be creative and innovative in doing so. Cambridgeshire county council and the city council have done excellent work on sustainable travel in recent years, and I trust that their commitment to that cause and their working in partnership will continue. They have had considerable success in raising bus patronage locally through the development of park-and-ride sites. The traffic management scheme in the city centre, which my hon. Friend oversaw in a previous capacity, has been very successful in promoting safe cycling and walking and containing traffic growth.

If cycling is to succeed anywhere in the UK, it must succeed in Cambridge. Unlike my constituency, Cambridge is, after all, relatively flat and situated in the driest part of the country. Cycling is also the mode of choice for the large student population. With 18% of all journeys made by bike, Cambridge already has the highest level of cycling anywhere in the country. The aim is to increase that further. As a cycling demonstration town project participant, it is receiving some £3.6 million of extra funding for that from my Department. I would like to see the experiences of Cambridge applied to other places at the end of the project.

Enabling people to interchange easily from one public transport mode to another is fundamental in getting people out of their cars. Again, I am aware that Cambridge is at the forefront of that through the development of the station gateway project. That project will deliver a bus interchange facility right outside the main rail station. We are keen for such projects to expand and to be replicated throughout the country.

That leads me on to the issue of rail. Let me assure my hon. Friend that the present Government are committed to making the best use of our rail network, as part of our commitment to creating a low-carbon economy and to improving the travelling experience for passengers. I am pleased to note that Network Rail is expected to commence work shortly at Cambridge station to construct the new island platform. However, the estimated cost of £15 million is obviously high. I shall add in passing that the ministerial team in the Department are quite keen to get better value from Network Rail for some of these projects. That cost does seem to me rather expensive for a platform.

In any case, the new platform will provide much-needed extra station capacity to enable First Capital Connect and National Express East Anglia to operate in a much more efficient and organised manner. The new platform is expected to be in operation by the end of next year. In addition, the completion of the Thameslink programme will give Cambridge faster journey times to London, access to St Pancras and many more direct connections to places south of the Thames.

My hon. Friend will be aware that the issue of new rolling stock for London to Cambridge services is under review by my Department. It is important that in ordering new trains, we get the very best value for money and that the specification is exactly right for the job that we want them to do. My hon. Friend will also be aware that stabling for the new trains was one of the factors taken into consideration in relation to the development of a new station at Chesterton, to which he referred. I know that he is very keen on that project. I appreciate that Chesterton station is regarded as important for the people of north Cambridge wishing to avoid the need to travel through the city centre and for people working at the science park. While the spending review is under way, I can give no assurances about the funding of that project, but I know that Cambridgeshire county council is working hard with Network Rail to develop various technical and funding options, and I welcome that.

Network Rail is also working hard to deliver another scheme that my hon. Friend supports—the gauge upgrading

of the Felixstowe to Nuneaton rail line to take continental-size containers and hence get more freight off our roads and on to rail. He mentioned the opportunity for modal shift for freight from road to rail. Phase 1 of that complex scheme, which is being part-funded by the Government, Hutchison Ports UK and the European Commission, is nearing completion. When it is finished next year, the number of freight trains will increase to eight per day per direction, and when phase 2 is complete in 2014, up to 24 freight trains per day will be able to travel to Peterborough and hence the north. Further work is needed in control period 5, and Network Rail is working on that, but at this stage I can provide no certainty about funding. However, 24 freight trains a day in either direction means a lot of lorries off the roads.

The coalition agreement includes a commitment to make the transport sector greener and more sustainable, which includes reforming how decisions are made on which transport projects to prioritise, so that the benefits of low-carbon proposals are fully recognised. Work is going on in the Department and we hope to have something in place to enable us to reassess projects when the spending review is complete, so those two elements of work can come together.

Getting more freight off the roads and on to the railways is one way of doing what I have described. Investing in low-carbon buses is another. That is why, building on that policy framework and on the success of the first round of the green bus fund, I was pleased recently to announce a second round of the fund, worth £15 million, which will support the procurement of an additional 150 low-carbon buses in England. All transport authorities, including Cambridgeshire county council, are encouraged to submit a bid, and I hope that my hon. Friend will take that back to his county council.

The county council should, in identifying its needs and priorities, consider the full range of options available and the potential for attracting funding from sources other than public sector ones. Given the current financial climate, I cannot offer any assurance at this time about the future time scale for taking forward schemes identified, but reviewing the feasibility of options should mean that Cambridge is well placed to benefit from available investment when the financial position eases.

My hon. Friend asked about lorry road user charging. He will know that there is a commitment in the coalition agreement to take forward lorry road user charging. The Under-Secretary of State for Transport, my hon. Friend the Member for Hemel Hempstead (Mike Penning), who was in this Chamber a few minutes ago, is leading that work for the Department.

My hon. Friend the Member for Cambridge also mentioned road signs. A road sign review is under way. I have asked officials to note his comments on that issue to feed them into the road sign review. The object of the review is to make it easier for local authorities to get signage up that is sensible for their areas and consistent with an application of national standards so that people understand the signs if they come from elsewhere in the country. We want to make it easier to get signs up that suit local needs.

My hon. Friend mentioned powers to improve bus services. We have no plans at present to change the regulatory arrangements regarding buses, although the Competition Commission inquiry considering the architecture of the bus network and the structure of the industry is under way. It would be imprudent to take a decision either to loosen controls or to tighten them in advance of that reporting. We expect to have a draft report from the Competition Commission probably by December this year.

It is clear that we face a challenging period. Tough decisions have already been necessary to tackle the UK's budget deficit. The Government have identified their most urgent priority as tackling the deficit, and transport must play its part in that process. Only when the Government's spending review has been concluded will we be in a position to see what investment can be made, but I assure my hon. Friend that we are committed to promoting low-carbon forms of transport. We are committed to sustainable transport—

5 pm

Sitting adjourned without Question put (Standing Order No. 10(11)).